HOT DOGS ■ FRANCHISE PARTNERSHIPS ■ HALF-PORTIONS

THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION · VOL. 8 · NO. 3 · MARCH 1988

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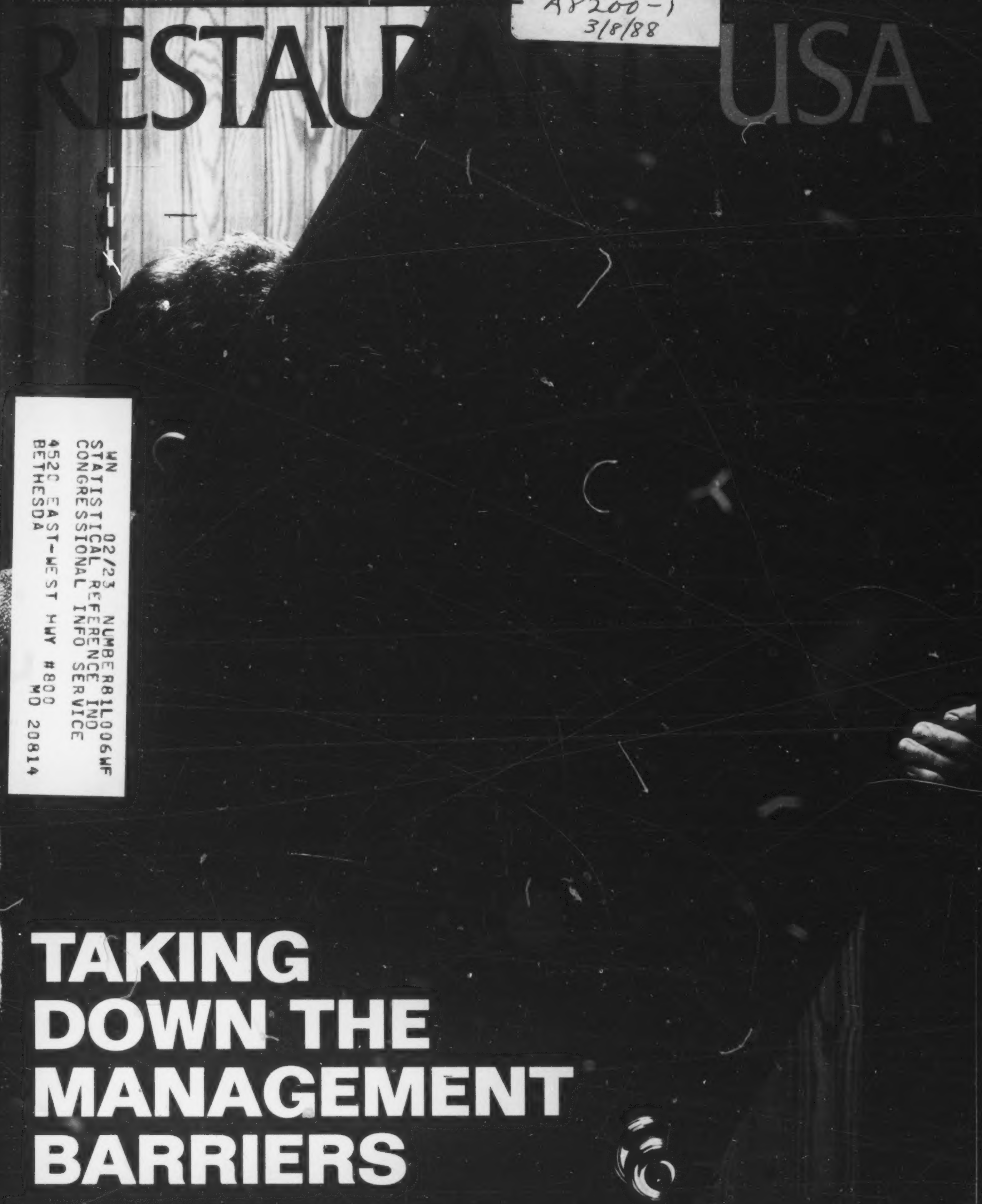

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TAKING DOWN THE MANAGEMENT BARRIERS

ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

3/15	Rochester, NY
4/12	Pittsburgh, PA
4/26	Boston, MA
4/27	Albany, NY
5/2	Norfolk, VA
5/3	Atlanta, GA
5/10	Wilmington, DE
5/21	Chicago, IL

Increasing Sales: Effective Front-of-the-House Management

4/14	Wilmington, DE
5/19	Hartford, CT
5/22	Chicago, IL

Kitchen Management

3/28	Tampa, FL
4/11	New Orleans, LA
4/12	Atlanta, GA
4/14	Honolulu, HI
4/18	Houston, TX
4/19	Phoenix, AZ
4/20	Boise, ID
5/4	Detroit, MI
5/5	Pittsburgh, PA
5/21	Chicago, IL

Employee Motivation

3/22	Boston, MA
3/23	Hartford, CT
5/21	Chicago, IL
5/24	Omaha, NE

Tools for Training

4/6	Portland, ME
4/8	Ocean City, MD
4/12	Tucson, AZ
5/22	Chicago, IL

Food Production Courses

Perfecting Your Culinary Skills

3/28	Riverside, CA
3/29	San Diego, CA

Soups and Sauces

4/18	St. Louis, MO
4/19	Minneapolis, MN
5/19	Savannah, GA
5/22	Chicago, IL

Foodservice Management Courses

Banquet Management

3/16	Berkshire, MA
3/18	Seattle, WA
3/23	Calgary, Alberta
3/25	Winnipeg, Manitoba
4/20	Tampa, FL
4/21	Newark, NJ

Beverage Management

4/12–13	Norfolk, VA
5/21–22	Chicago, IL

Do-It-Yourself Public Relations

4/20	Nassau, NY
4/21	Providence, RI

Food Cost Management

5/22	Chicago, IL

Hiring in a Tight Labor Market

4/26	Atlanta, GA
4/27	Orlando, FL
5/11	San Francisco, CA
5/12	San Diego, CA
5/22	Chicago, IL

Menus That Sell!

4/21	Bethesda, MD
5/3	Covington, KY
5/21	Chicago, IL

Off-Premises Catering

3/17–18	Denver, CO
3/22–23	Minneapolis, MN
4/13–14	Westchester, NY
5/3–4	Baltimore, MD
5/21–22	Chicago, IL

Operational Analysis

4/6–7	Portland, OR
5/21–22	Chicago, IL

Planning Successful Buffets

4/25	Riverside, CA
4/26	Long Beach, CA
5/21	Chicago, IL

Profitability

4/6	Lexington, KY
4/7	Indianapolis, IN
5/22	Chicago, IL

Restaurant Design

3/24–25	Phoenix, AZ
4/13–14	Columbus, OH
5/21–22	Chicago, IL

Server Sales Training

3/23	Washington, DC
3/24	Philadelphia, PA
4/7	San Francisco, CA
5/17	New York, NY

Wine Server Training

4/7	New York, NY
4/13	Denver, CO
5/5	Dallas, TX

NATIONAL CONFERENCE SERIES

Conference on Planning and Financing Restaurant Growth

3/27–29	Los Angeles, CA

For more information, contact National Restaurant Association Education Foundation, 311 First St., N.W., Washington, DC 20001 (800) 424-5156 or (202) 638-6100

If your company is interested in our in-house programs, contact Frank Doyle at the association's Washington, DC, office.

EXECUTIVE STUDY GROUP SERIES

Financial Officers

4/6–8	New Orleans, LA

Foodservice Purchasing Managers

5/18–20	Chicago, IL

Internal Auditors

4/26–29	Charleston, SC

Large Independent Operators

3/18–20	Monterey, CA

Management Information Systems (MIS—formerly EDP)

4/12–17	Scottsdale, AZ

Marketing Executives

5/18–21	Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)

5/18–20	Chicago, IL

Quality Assurance

4/20–22	San Diego, CA

Tax Executives

4/6–8	New Orleans, LA

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

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RESTAURANTS USA

VOL. 8 NO. 3 **MARCH 1988**

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PRESIDENT'S REPORT

Michael J. Grisanti, President and Chief Operating Officer
Grisanti, Inc., Louisville, KY

What follows is an open letter to the foodservice industry. Thanks to the cooperation of the trade press, it is appearing in major publications read by operators all across the country. The letter calls for a vigorous response.

We need to show the way for the rest of the industry. I am asking every member of the National Restaurant Association to read this following letter and take the recommended action.

An open letter to the foodservice industry

Fellow restaurateurs:

Foodservice operators can't afford to keep silent any longer.

In recent sessions, Congress has passed a series of laws which is cutting into the economic viability of the nation's restaurants. The tip allocation and reporting regulations, the 20 percent disallowance of the deductibility of business meals, the immigration law recordkeeping requirements and the more recent employer-paid FICA tax on tips are just a few of the laws that are costing you time and money you cannot afford.

We now have an opportunity to make our voice heard in Washington, but we need your action. When Congress imposed employer-paid FICA tax on tips, it in effect changed the definition of "wages" to include tips. If tips are wages when we pay taxes, they are wages when we calculate the payroll. The National Restaurant Association has launched a campaign to amend the Fair Labor Standards Act (FLSA) to allow a 100 percent tip credit, thereby permitting all tips received by employees to be applied to the minimum wage.

In our Washington headquarters we have a government affairs staff of nine professionals who "work the Hill," speaking with Congressmen and Senators on a daily basis to inform them of the effects of proposed legislation on our industry. In addition, we retain a widely respected outside lobby organization to supplement our efforts in promoting and protecting the interests of the industry. But we can't do it alone. We need your help.

Only you can ensure the success of our political efforts. In a democracy such as ours, the will of the people prevails only if the people make their will known. We can protect our interests in Washington only if we let our representatives know how proposed legislation affects us. We can turn the tide of detrimental legislation if each of you commits yourself now to regular communication with your legislators.

Attached is a card that you can send to your Congressman or Senators encouraging support for legislation that is consistent in the treatment of tips as wages. I urge you to sign your name to it, put a stamp on it, and mail it to your Congressman or Senators today. It will get to him or her if you address it to: (1) Senator ______________________, U.S. Senate, Washington, DC 20510 or (2) Congressman ______________________, U.S. House of Representatives, Washington, DC 20515. If you need to know the name of your Congressman or Senator, call our Washington headquarters at 1(800) 424-5156. Our government affairs staff will be glad to give you any information you need.

If you prefer, call or visit your Congressman and Senators. Tell them that your business has been severely damaged by a series of oppressive laws which culminated in the FICA tax on tips and that fairness, consistency, and logic require the amendation of the Fair Labor Standards Act to permit a 100 percent tip credit.

Also attached is a card, which will enroll you in our Key Contact Program. We will keep you informed on issues of critical importance to our industry and let you know when action is vital. We must have your help if the foodservice industry is to make an impact.

Your silence can cost you money. Unless each of us carries the message, Congress will continue to chip away at our profit margins with ill-conceived legislation. Please, for your own best business interests, act now. Thank you, on behalf of the foodservice industry.

Association moves to new headquarters this month

This month the association will move its headquarters to our new downtown Washington location. The building, which the association purchased in December, will serve as an emblem of the foodservice industry's strong voice in the nation's capital. I regard it as both a symbol of our long-range involvement in public affairs and as an excellent financial investment.

After the move, our Washington address will be: 1200 Seventeenth Street, N.W., Washington, DC 20036-3097. Our local phone number will be (202) 331-5900. You can still reach us toll-free at 1 (800) 424-5156.

Show to be held May 21-25

The 69th annual National Restaurant Association Restaurant, Hotel-Motel Show will be held in Chicago May 21-25. In addition to the miles and miles of exhibition space at this year's Show, there will be lots of exciting entertainment. NBC television's Tom Brokaw will make the opening day address, and Madam Jehan Sadat of Egypt will be a special guest speaker at the First Ladies Luncheon on Monday, March 23. There will also be 17 seminars offered during the Show. Don't miss out on this year's big event. More details on the Show will be featured in the April issue of *Restaurants USA*.

Wine server selling skills seminar

Operators looking for a way to boost check averages should consider the association's Wine Server Selling Skills Seminar for their employees. This seminar brings knowledge about wine service directly to your servers and can cost as little as $15 per person. Upcoming seminars will be held in New York, Denver, Dallas and Chicago. For additional registration information, contact the National Restaurant Association at 1 (800) 424-5156.

During February, 130 new members joined the National Restaurant Association. We welcome your participation in the association's efforts to effectively represent the foodservice industry on your behalf.

Sincerely,

Michael J. Grisanti
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: TAKING DOWN THE MANAGEMENT BARRIERS

More than ever before, today's restaurant is being run like a team. This means many of the traditional barriers are being removed.

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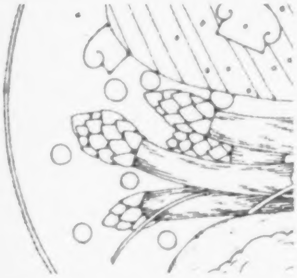

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More is not necessarily better where portions are concerned. Some operators are welcoming the opportunity to offer smaller portions. But this new option is not for every establishment.

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Cover photograph by Gary Landsman

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SHORTORDERS

Association buys headquarters building

During the winter meeting of the association's Board of Directors, President Michael J. Grisanti announced that the association purchased a new headquarters building in Washington, DC.

"The new headquarters building will serve as an emblem of the foodservice industry's strong voice in the nation's capital. I regard it both as a symbol of our long-range involvement in public affairs and as an excellent financial investment," Grisanti said.

After an extensive search for an appropriate site, the association's Real Estate Subcommittee, chaired by Vice President Jim L. Peterson, selected the new building during the summer of 1987. Negotiations continued through December 31, 1987, when the association purchased the building from the American Psychological Association for $17.4 million.

Located at 1200 Seventeenth Street, N.W. in Washington's midtown business district, the building occupies a block on the west side of 17th Street between M Street and Rhode Island Avenue. The eight-story structure contains 85,000 square feet of commercial space. The association will occupy the top three floors, consisting of 30,000 square feet, and lease the remainder, Grisanti said. The association's Washington staff will relocate to its new headquarters on March 14, 1988. You may reach the association at the new phone number, (202) 331-5900, after this date. The toll-free number remains (800) 424-5156.

New address. The National Restaurant Association has purchased a new headquarters building in the heart of Washington's business district. Association President Michael Grisanti sees the new building as "an emblem of the foodservice industry's strong voice in the nation's capital."

Help for the blind diner

A special brailled menu is now available at all 400 Carl's Jr. restaurants in California, Nevada, Arizona and Oregon. "It is one of the largest distributions of a braille menu to any food chain," maintains Donald Karcher, president of Carl Karcher Enterprises in Anaheim, California.

The three-page, double-sided, 11-inch square menu lists more than 50 food items, including sandwiches, stuffed baked potatoes, breakfast entrees and desserts.

The menus will be available at each restaurant for blind guests. Prices are omitted due to minor variations among marketing regions.

Preparation and menu embossing was done by the Braille Institute Press, Los Angeles. The institute also works with Carl's Jr. restaurants in the preparation of special cash register keyboard overlays for use by blind employees, a number of whom serve as drive-thru cashiers.

The idea came about last July when the Carl's Jr. in the Los Angeles airport area hosted hundreds of blind persons attending the nearby American Council of the Blind national convention.

"That experience made us keenly aware of the problems faced by blind persons when dining out and we resolved to do more to meet their special needs," Karcher says.

The company estimates that there are approximately 85,000 blind persons in its four-state marketing area.

Braille menu. Betty Clark, left, coordinator of community activities for the Braille Institute of Los Angeles, is the first person to order from the new braille menu now available at 440 Carl's Jr. restaurants in California, Arizona, Nevada and Oregon. Don Karcher, president of the fast food chain, watches Carmen Trujillo hand out the order.

A gourmet deli for hands-on training

The Western Culinary Institute (WCI) in Portland, Oregon, opened its own gourmet delicatessen, "Chef's Corner," in January. The shop offers a variety of gourmet foods prepared by WCI students as part of their training. Chef's Corner selections include sandwiches, salads, baked goods, spices, coffee beans and fine wines.

Most of the food is prepared as takeout items, but there is a small sitting area. Curbside service is also available for advance orders. The institute plans to expand Chef's Corner into a catering operation in the spring as another means of providing the students with hands-on experience.

Winter meeting report

Directors want new law to count tips as wages when calculating payroll

At its recent winter meeting held in Palm Desert, California, the National Restaurant Association's Board of Directors voted that the association will seek legislation to allow tips to be counted as wages for purposes of meeting the full minimum-wage requirement of the Fair Labor Standards Act.

The proposal comes on the heels of new legislation requiring employers to pay FICA taxes on all reported tip income. Association President Michael J. Grisanti announced the board's proposal, saying, "In imposing the FICA tax on employers of tipped workers, Congress has redefined the term 'wage' to include tip income. If tips count as wages when we pay taxes, they should also count as wages when we calculate the payroll."

Grisanti emphasized that, in order for the association's proposal to advance, an intense grassroots campaign must be launched among association members. "We can hope to reach Congress only if we act together," Grisanti urged. Grisanti directed association staff to focus its lobbying and grassroots recruiting efforts on this issue during the months ahead.

The association's Board also directed staff to continue intense lobbying against the minimum-wage increase proposal, expected to come up for a congressional vote this year. Association opposition to the High Risk Occupational Disease Notification Act, the Access to Minimum Health Benefits for All Workers Act, and the Family and Medical Leave Act was also reinforced by the Board.

At the winter meeting, the board also reviewed and discussed the following association business:

□ **Membership.** The board welcomed members of the Mississippi Restaurant Association into joint membership with the national association, effective May 1, 1988. This brings to five the total number of joint memberships between the national and state associations.

□ **State Relations.** The development of the Key Contact program, the industry's grassroots network, continues to be top priority for state relations. Currently, 280 key contacts are active in the program, with a goal of 350 contacts set for May 1988.

□ **PAC.** The National Restaurant Association PAC has set a fundraising goal of $400,000 for 1988. The Board directed the association's PAC to work closely with other industry PACs on issues of mutual concern.

□ **Communications.** The association's staff is producing a Current Issues Report which covers the pros and cons of substituting a service charge for tipping. Also, staff will produce two videotapes educating foodservice employees about AIDS; the first video will be addressed to management and the second will be addressed to employees. Like the *Basic Facts About AIDS* booklet mailed last month, the videos are intended for staff use only.

□ **Research and Information Services.** An upcoming Current Issues Report will present the results of an association survey of state employment services. A state-by-state listing of services will be made available to all members.

□ **Educational Foundation.** The Educational Foundation of the National Restaurant Association is soon releasing a new video entitled "Producing Profits," which addresses the selection, handling and storage of fresh produce. The video is a joint venture between the association and the United Fresh Fruit and Vegetable Association.

—Anne Papa

PAC Chairman Ralph Brennan leads members of the committee and staff in discussing early contributions to federal House and Senate candidates during the winter Board meeting. The committee hopes to raise and spend $400,000 in the 1988 election year. PAC dollars are raised from personal, voluntary contributions from members. All monies go to federal candidates.

Association Chairman of the Board Michael Grisanti and wife Paula met with ex-President Gerald Ford at the winter Board meeting. Ford was a guest speaker at the meeting, discussing the need for congressional reform.

WASHINGTON REPORT

Tips-as-wages issue heats up

A National Restaurant Association campaign to persuade Congress to amend the Fair Labor Standards Act (FLSA) so that all tips are counted as wages for minimum-wage purposes moved into high gear last month, as the House Subcommittee on Labor Standards moved toward considering the Hawkins-Kennedy (minimum-wage) bill, H.R. 1834.

The message to committee members from restaurateurs has been that Congress should count all tips as wages for minimum-wage purposes, since it has defined tips as wages for Social Security (FICA) and unemployment (FUTA) tax purposes. The association hopes to convince Congress that it is inconsistent and unfair to treat *all* tips as wages for FICA and FUTA tax purposes but then to allow tip income to offset only 40 percent of minimum-wage requirements. H.R. 1834 calls for raising the current minimum wage of $3.35 an hour to $4.65 an hour in three annual steps; then in subsequent years the wage would be pegged to 50 percent of the average private sector nonsupervisory wage.

"I can't stress how important it is for restaurateurs to contact their members of Congress at this time," said Mark Gorman, the association's senior director of government affairs. "We particularly need a strong show of support as the full committee begins to consider the minimum-wage bill. Restaurateurs should call their representatives as soon as possible and tell them that the tip credit should be increased."

(Restaurateurs can reach Congress by calling the U.S. Capitol switchboard at (202) 224-3121.)

The tip credit issue may be addressed during subcommittee markup of H.R. 1834, along with proposals to increase the current small business exemption, drop the bill's indexing provision and reduce the amount the wage would be increased.

Full committee markup of the bill is tentatively scheduled for mid-March, with full House consideration in late March.

FDA says sous vide is a health hazard

A Food and Drug Administration (FDA) opinion issued in January states that "sous vide" vacuum pouches are a health hazard and are not acceptable for restaurant use.

FDA said restaurateurs may use commercially processed sous vide foods but should not use the process on-site.

According to FDA, controlled atmosphere or vacuum packaging processes, such as sous vide, are "fraught with danger" and their continued use "would constitute an unnecessary and significant public health hazard."

FDA's opinion does not have the force of law because this is a matter of state or local regulation. However, FDA said its model code would prohibit the use of sous vide and similar techniques, and local regulators are expected to follow FDA's lead.

Sous vide (French for "under vacuum") is a relatively new technique that involves placing food in an impermeable plastic pouch, then evacuating the air and/or otherwise modifying the atmosphere. The food is then partially or fully cooked, cooled, held in refrigerated storage for several days or longer, then reconstituted for service.

Sous vide allows operators to prepare large quantities of entrees ahead of time and then store them in refrigeration until they are needed. However, there is considerable risk of microbial growth in these anaerobic (no oxygen) pouches, which could cause serious health problems, such as botulism.

Although commercial sous vide processors operate under stringent controls, the vacuum pouch process removes several traditional food safety mechanisms. The National Restaurant Association cautions operators who serve commercially processed sous vide foods to explicitly follow the manufacturer's instructions for storage and use.

Congress gets running start on 1988 session

Polygraph, parental leave, minimum health benefits

Congressional panels took swift action early this year to favorably "report" three bills out of committee. Although no date has been set for full House or Senate debate, legislation limiting polygraph use and requiring employers to provide parental leave and health benefits for employees is now ready for floor consideration.

Parental/medical leave. On February 3, 1988, the House Post Office and Civil Service Committee cleared provisions of the Family and Medical Leave Act (H.R. 925) covering federal employees. The rest of the bill, covering private sector workers, was approved by the House Education and Labor Committee last year.

Since both committees have now signed off on the bill, H.R. 925 can be scheduled for a floor vote any time. Observers say, however, that Democrats will bring up the bill only when they are confident they have enough votes to pass it. H.R. 925 requires employers to offer workers 10 weeks of parental leave and 15 weeks of medical leave.

Companion Senate legislation, S. 249, has seen no action beyond committee hearings.

Polygraph use. The Senate Labor and Human Resources Committee okayed a ban on preemployment polygraph testing February 3, 1988. S. 1904 permits regulated lie detector use when an employer has a reasonable suspicion that a particular employee is involved in a workplace crime. The full Senate is likely to vote on S. 1904 in early spring.

Under S. 1904, no employee could be fired or disciplined for simply refusing to take a lie detector test. Employers would have to show reasonable cause before requesting any employee to take the test.

The National Restaurant Association supports this "incident specific" polygraph bill because the likely alternative is an absolute ban on polygraph use, such as that passed by the House last November.

Minimum-health benefits. On February 17, 1988, the Senate Labor and Human Resources Committee voted 10-5 to approve S. 1265, which requires all U.S. employers to provide a comprehensive health care package to any employee working more than 17.5 hours a week.

The committee provided a token small business exemption that would allow employers of five or fewer workers to phase in the required benefit plan over a five-year period.

The controversial legislation will face a tough battle on the Senate floor. Business groups, including the National Restaurant Association, remain staunchly opposed to the mandate, arguing that its high costs would cripple small businesses.

Petri favors tax credit over minimum wage hike

NATIONAL
RESTAURANT
ASSOCIATION

Speaking to the National Restaurant Association's First Thursday group in early February, U.S. Rep. Thomas Petri (R-WI) said that "raising the minimum wage is a bad idea. It causes inflation and job losses that will affect the people who need the most help—the poor." A member of the House Education and Labor Committee, which is scheduled to take up a bill to raise the minimum wage in early March, Petri said he favors an increase in the earned income tax credit (EITC) as an alternative to a minimum wage increase. Petri argued that an increase in EITC would help the disadvantaged without crippling business.

IRS explains new FICA law

The Internal Revenue Service (IRS) mailed Notice 831 to all employers last month explaining changes made by the 1987 tax bill. Among other provisions, the notice explains the new requirement that restaurateurs pay Social Security (FICA) tax on all tips.

Beginning January 1, 1988, employers must pay FICA taxes on *all* tips reported by employees, not just on "tips deemed to be wages." IRS provided no transition period for complying with the new law and expects operators to begin paying the tax right away.

Under the new law, tips are defined as reported tips and do not include allocated or estimated tips. However, if IRS determines during a later audit of employee tax records that workers did not report all tips, the employer could be assessed for FICA taxes on the under-reported tip income.

The IRS notice also outlines several other changes for 1988:

☐ All children over 18 years of age working for parents are covered by Social Security. Prior to January 1, sons and daughters under 21 had been exempt from Social Security taxes.

☐ Individuals working for their spouses are covered by Social Security. Wages paid to these employees are now taxable for Social Security purposes.

☐ The net FUTA tax rate for 1988 remains at 0.8 percent (.008) and does not decrease to 0.6 percent (.006) as IRS's Circular E ("Employer Tax Guide") indicated.

☐ The cost of group-term life insurance is now subject to FICA taxes to the extent that the cost can be included in an employee's gross income.

DON'T
HOLD
OUT!

February 15th has come and gone. If an Economic Census form lies buried in a pile on your desk, dig it out and fill it out. If you have any questions, call **1-800-233-6136.** It's of vital national importance, and it's still required by law.

Return the Economic Census Form.

U.S. Bureau of the Census

Interview with John Chafee

A chat with the senator who fought the FICA tax increase

1987's protracted budget battle came to a head last December when the Senate Finance Committee hammered out the provisions of its $9 billion revenue bill. The bill, forwarded to the Senate after being passed by the House in October, included a provision requiring employers to pay Social Security (FICA) taxes on all tips reported by employees.

A key player in the Senate debate on the FICA-on-tips issue was Finance Committee member John Chafee, a two-term Republican senator from Rhode Island. Chafee was opposed to the increased FICA tax and proposed as an alternative a $.02 increase in cigarette taxes. His amendment was voted down, and the Senate included the FICA-on-tips provision in the budget package that President Reagan signed on December 22, 1987.

RUSA: Senator, what made you get involved in the FICA-on-tips issue?

Chafee: I got involved because it struck me as inequitable that although we are always talking about the importance of helping small businesses because they generate so many jobs, we were legislating a huge expense as well as a laborious accounting problem for restaurants, most of them small businesses.

Also, I thought the issue came down to the more philosophical question of whether tips should be considered wages. It doesn't seem to me that a tip given by a restaurant patron is the same as wages paid by an employer. Senators who backed the proposal seemed to be leaping right over this problem.

Finally, the FICA proposal came in tandem with an extension of the FUTA surtax. Although the FUTA tax was scheduled for only a modest 0.2 percent drop, I know this amount makes a difference to the employer. It seemed to me that we were legislating a double whammy for restaurant operators.

RUSA: Why do you think your move to strike the FICA-on-tips proposal and replace it with a cigarette tax failed?

Chafee: I think most members of the committee did not want to tackle the highly controversial cigarette tax. The bill's leaders were afraid that if the cigarette tax increase were included, the bill would face a lot of resistance on the Senate floor. At that stage in the game they were anxious to avoid any obstacles that might have blocked the bill's passage.

As a matter of fact, we didn't pass any increases in excise taxes in this budget bill—beer, wine or cigarette taxes. There was an implicit understanding that we would probably need these another day.

Last, some senators agreed with the reasoning that the situation with tipped workers was shortchanging the Social Security Trust Fund. Workers are entitled to collect Social Security benefits based on their total income; for tipped workers, this includes all tip income. However, pay-ins to the trust fund for tipped workers fell short by the amount of the employer's matching payment on all reported tips.

RUSA: Could restaurants have done more to prevent this provision from being included in the bill?

Chafee: Whenever an issue goes against you, you think you could have done more. But in this instance, the whole budget bill moved so quickly and unpredictably following October's stock market crash that there wasn't a lot of time to marshal forces.

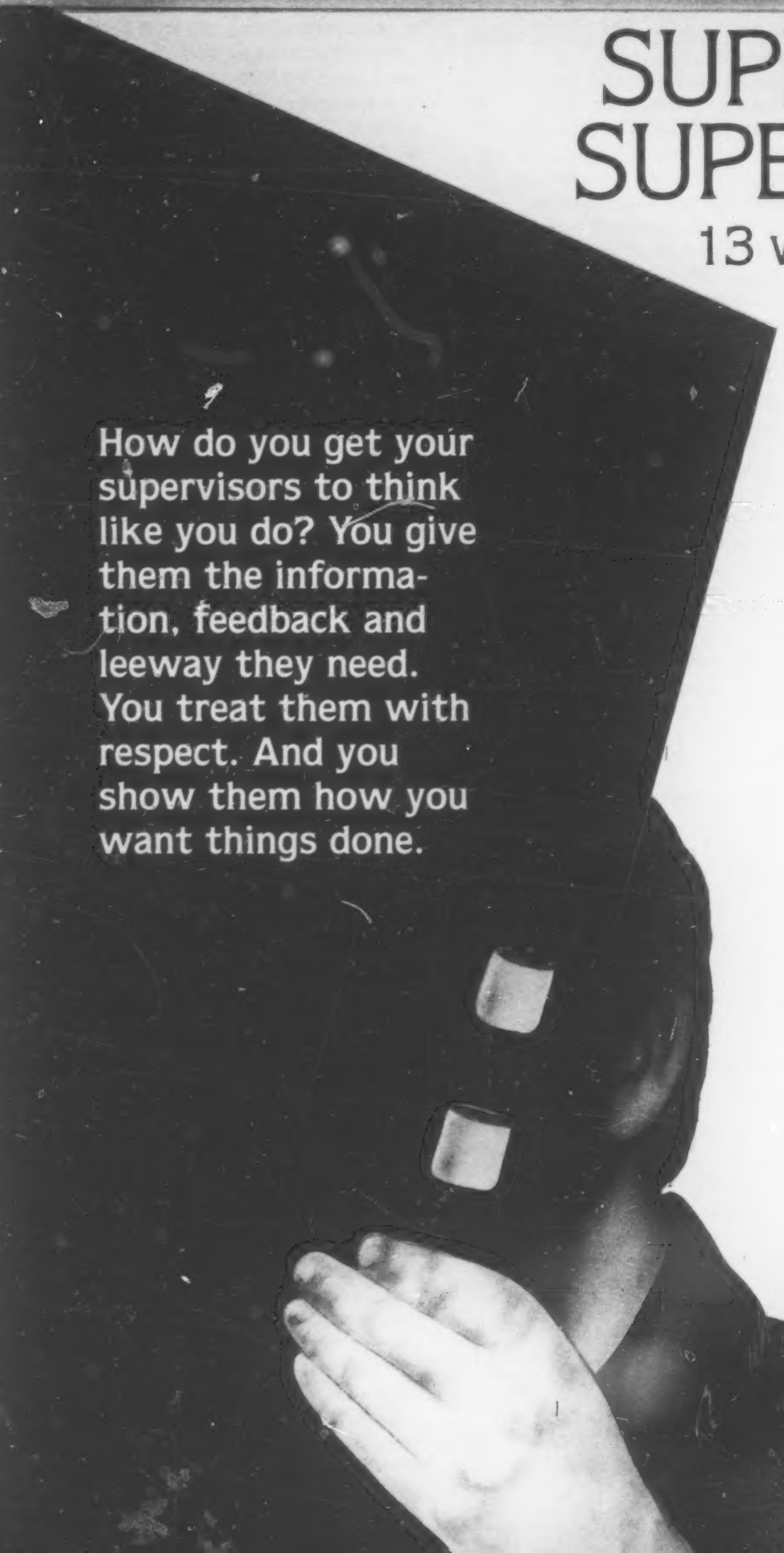
RUSA: Recent Congressional Budget Office figures show that the deficit is going to be billions of dollars over Gramm-Rudman's $140 billion target. Should we expect another tax bill in 1988?

Chafee: Although we might be scurrying around looking for small sources of revenue, we probably will not put together a major tax bill this year. My guess is that unless the administration pounds the drum and calls for billions of dollars in revenue, I don't think we'll see much on taxes.

"It doesn't seem to me that a tip given by a restaurant patron is the same as wages paid by an employer. Senators who backed the proposal seemed to leap right over this problem."

SUPERVISING SUPERVISORS

13 ways to bring down the management barriers



How do you get your supervisors to think like you do? You give them the information, feedback and leeway they need. You treat them with respect. And you show them how you want things done.

As restaurant owners and operators, you have to be concerned with how your supervisors perform. When I say "supervisors," I'm talking about managers who supervise people. Typically, assistant managers, kitchen managers and catering managers supervise employees who earn an hourly wage. But you may have upper management levels in your organization, too: area supervisors, regional directors and directors. All of these people have one thing in common: They have responsibility for getting other people to do what you want done.

There are two types of supervisors: employer-focused and employee-focused. One of the main goals in supervising supervisors is to change the supervisor's focus to that of the employer. That is, to get them to think like you do. The following 13 tips will help you instill this focus in your supervisors and run a smoother operation.

1. Share financial information. Could you operate your business if nobody gave you the numbers? No.

Kathleen McGinley is director of personnel at Soniform, Inc. in El Cajon, California. In this capacity, she has human resource responsibility for 250 employees. This article is based on a speech McGinley delivered at the National Restaurant Association's 1987 Show.

Yet sometimes we allow our supervisors to believe that they don't need to know the numbers—"You worry about the customers, I'll worry about the money." Well, that's what the supervisors do then. They don't worry about the money. They don't worry about how much the linen cost last month or about the tomatoes that are being thrown out in the kitchen. "Not my problem," says the manager.

Well, it is their problem. If you're going to hold your supervisors accountable, make sure they have the numbers they need. Does the kitchen manager need to see vendor bills and payroll reports? Sure. Your kitchen manager is operating a small department within a much larger organization. If he's going to be accountable for the cost control in his department, then he needs to know the appropriate numbers.

2. Sell your ideas and programs to your supervisors. You may think, "I'm the boss. Why should I have to sell them my ideas?" You have to sell your supervisors on your ideas because you're asking a third party to speak for your programs with the same degree of enthusiasm and accuracy that you would. Remember, owners and supervisors are different. While the entrepreneur thrives on quick changes, fluid ideas and rolling with the market, the supervisor thrives on maintaining the status quo, keeping things on an even keel. That's why they roll their eyes when you come to them with a new idea.

You bounce into the restaurant in the morning and approach your restaurant manager: "Joe, come in my office, I have a terrific idea. We're going to develop a signature item, and it's going to be a spectacular salad presentation. We're going to showcase that house dressing that we've put into a bottle. We're going to take a great big wooden bowl to the table with all the vegetables in it. We're going to have little garnish bowls, and we're going to toss the salad right at their table and we're . . ."

Well, Joe the manager tuned you out about four sentences ago because he's already trying to figure out how he's going to tell the chef, how he's going to tell the kitchen staff and where he's going to find the bowls.

And then you give him the clincher: "And I'd like to start this tomorrow."

You sit back and wait for the applause and wonder why he's not leaping with enthusiasm for the new idea. Meanwhile, Joe is thinking, "We just got through cleaning up the last brainstorm you came up with."

Instead, sit Joe down and say, "Look what a signature item would do for us. Let's talk about cost control. I think we can work out a plan to implement it in 30 days." The fact is that you have to have Joe's commitment. Otherwise, he'll just go to his employees and say, "OK, he's at it again. He's got another crazy idea, so we'll humor him for a while and just go through the motions."

If you want to change your priorities, you need to gather all the supervisors associated with that project and develop a plan they can execute. That gives them enough time to do a good job.

3. Pay fair wages. Do a study of fair, competitive wages in your marketplace and pay accordingly. What you pay your employees is a reflection of what you think that job is worth. If you pay competitive wages, you can demand and expect a good job.

"What can I do, what can I give them, that will increase their ability to make a decision with my name on it?"

If you hire cheaply, you are asking the supervisors to live with the results of that business decision. They are going to get the kind of help they can attract for the money you agree to pay. If you're not paying much, don't expect a quality staff. I suggest using a wage scale because it gives you some flexibility in setting the starting wage, assures fairness in the distribution of wages, allows you to forecast your payroll and simplifies raise determinations. Your employees also like to know what they can expect to earn in six months, one year or two years. In fact, this information can increase employee longevity.

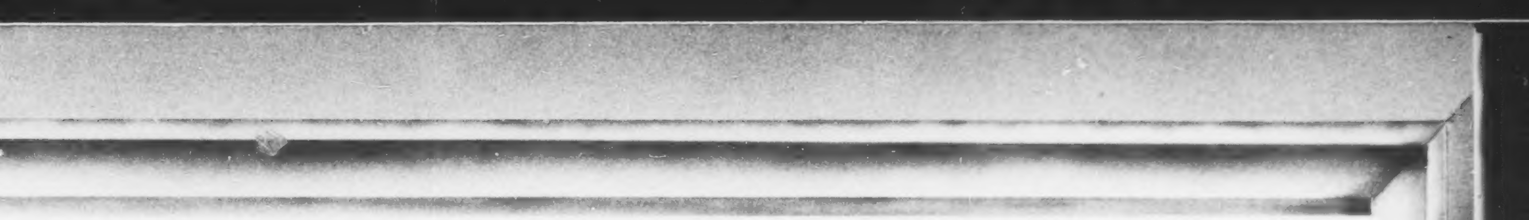
Supervisor reviews should be annual, and you should have no less than quarterly meetings to discuss their goals, their plans and how well they are performing.

4. Listen to your supervisors' concerns. The two most common complaints your supervisors have about you is 1) you don't listen and 2) you don't give feedback. We are not trained to listen. In theory we say we want to, but we have concerns that are bigger—we're in lease negotiations or our sales have taken a funny little dip or our best waiter just went to work for our competitor. And then the assistant manager comes in and says, "Oh, my God, the linen was just delivered, and 500 napkins don't have any starch." And you say, "I don't need this right now—go and fix it."

Why do suppose the assistant manager came to you? She knows what to do, but she wants affirmation that the decision that she's about to make is the right one. If you take the time to give her that affirmation, you won't hear about that particular problem the next time it happens. If you dismiss her, she will not be sure that her decision is what you would have wanted her to do.

Don't prejudge a supervisor's worries as unimportant or an overreaction. Concerns on the part of your managers are not signs of weakness, they are signs of interest. We can kill interest—a supervisor's desire to make things right—if we don't listen.

Barriers to listening occur if we prejudge, pre-evaluate or already disapprove of what they're saying. Suppose Mary, your kitchen manager,



comes to you and says, "I'd like to work on a new garnish; the piece of parsley and the carrot curl have had it after 12 years." If you answer her with, "OK, but what was wrong with the shrimp dinners last night?" What have you said? You've said, "Your idea is not a priority, Mary." Will she go work on the garnish? Of course not.

If you do need to reject an idea, you want to make sure you reject the idea and not the person: "Gee, Mary, I appreciate the thought that you put into this. Perhaps it's not appropriate for us at this time, but I'll sure keep it in the back of my mind. And thanks for taking the time to think about it."

Listen to the concerns of your supervisors. And, if you do use a supervisor's idea successfully, be sure to give credit to that person. Otherwise, you'll stifle their creativity—creativity that could be a great help to you later.

5. Reward appropriate behavior immediately, directly and enthusiastically. Recognize the small steps your supervisors take toward building their leadership skills. Sometimes a supervisor's steps are so small that you can hardly see them. But they will get there with a little encouragement. Independent decision-making is what you pay supervisors for, so boost their ability to make decisions. Create a link between your supervisors' behavior and the reward and recognition or constructive criticism you provide. You have to give feedback that's immediate, specific and performance-related, and you have to set consistent standards and evaluate their progress to these standards.

If recognition is the number one need of hourly employees, why would we think that it would not be the number one need of a supervisor? It is. Recognition builds self-confidence. People wear it like clothes. Your employees will notice that your supervisors are confident and will look up to them.

6. Be an example to your supervisors. If your supervisors are on stage all the time in front of you, then you, too, must be on stage. Never walk past shoddy service, shoddy quality or shoddy presentation. If you do, you set that example for your supervisors. You must set an example by never letting your standards drop, by telling them the truth—as hard as that can be.

If you want your supervisors to care about your customers, your employees and your operation, you must show them you care, too. Schedule a formal meeting with your supervisors. If you say that spending time with your workforce is one of your goals, and it's not in your calendar, it's not going to get done.

Make sure your supervisors carry around a list of every employee who works for them. That list should include each person's work anniversary; birthday and 90-day, six-month and one-year review dates. And when you make one of your visits, you should get that list out and make a point of congratulating your employees. You can be sure your supervisors will do so, too.

7. Avoid robot programming. Mechanical robots are entering the work force, and their presence raises some interesting thoughts. Robots don't get benefits, they don't get overtime and they don't go to sleep. But robots also don't make decisions, and because they don't make decisions, they will never replace supervisors. And yet we have the tendency to robotize our managers. We tell them, "It's in the manual." Well, on an average day, a supervisor makes a decision every 30 seconds. If he or she were to go pick up the book every time a decision had to be made, nothing would get done. Please don't think you can get away with handing your manager the four-pound manual and saying, "It's all in here. You don't need me."

We fail to delegate because we fail to trust that our supervisors have enough judgment to get the job done.

Your supervisors need to know how you want the job done. You should be thinking, "What can I do, what can I give them, that will increase their ability to make a decision with my name on it?" That's what you hire these people to do: to make decisions with your name on them. They don't always make them as you would make them, but that's the goal. You must discuss your business philosophy with your supervisors; you have to talk about business and ethics and service. Supervisors can't get employees to do things your way if they don't understand what your way is.

8. Be a positive influence in your restaurant. When you enter the operation, do your employees say, "Here comes help," or do they say, "Here comes trouble?" Do you go through the place with a white glove, either verbally or physically? Do your employees look at you with the same look they give the health inspector? If you go through itemizing the faults of the operation—and not the merits—then you are not going to be a welcome person in your own operation. And that's really not why you got into business, is it?

Everyone has an emotional investment in his or her ideas. We take it personally when someone doesn't like what we have to say. It's a very ego-sensitive thing for somebody to criticize your work, but it has to be done. The feedback has to be there. But try not to put your supervisor on the defensive because a defensive supervisor is a liability to your operation. It's like kicking the dog. You kick them, they kick the employees and the kicking goes right down the line—hopefully not all the way down to your customers.

9. Teach supervisors how to protect you legally in every area. Make sure that you are legal by the laws of your state and by federal law. Look at the complexity of employee law right now. There is worker's compensation, disability, sex harassment, liability, unions, immigration law, drug and alcohol issues, and AIDS. There is a lot happening right now, and if your supervisors don't know about it, they can't protect you. Make sure at least one person in your organization understands employment law and ensures that you follow it.

If you want to keep organized labor out, then you'd better keep your operation legal. If you write ambiguous policies and procedures, you should know that in a court of law they will decide against the person who wrote an ambiguous policy. The judge assumes that you wrote it because you wanted to sneak something through. If you have an employee handbook, I urge you to either specifically include or specifically exclude supervisors. Otherwise you can risk liability because ambiguity can open you up to an employee suit.

Stay on top of legal issues through continuing education. The National Restaurant Association, your state associations and local business operations can all provide information. Subscribe to monthly publications. I get one called *O'Brien's Employer's Labor Letter*, which specifically deals with employment law. I read in there about a waitress in Oakland who complained to the manager that the toilet was stopped up. She complained again the next day. On the third day, she said that if he didn't get the toilet fixed, she was going to sue him. He fired her. She sued him, and a jury gave her $1.5 million. You may say to yourself, "That's weird. That doesn't happen." The day of believing that it cannot happen to you is over; it can happen to anyone.

10. Let go. Delegation is the highest art of management. This is the hard one. You know why you don't let go? You're afraid you'll lose time, you'll lose money, you'll lose control and, maybe, you'll lose face.

Well, you can't do it all yourself anymore. If you're so busy worrying about the $10 that was overpaid to the produce company that you miss the fact that Joe, your new kitchen manager, has lost six people in the kitchen in one week, I don't think your priorities are in order. We fail to delegate because we fail to trust that our supervisors have enough judgment to get the job done.

Sometimes it's just hard to give up pet projects. You like making orange muffins, and you don't want to let Manny make them. It's sort of therapy to stand there and beat that batter. But it's time to give up the orange muffins.

I know you've heard before that delegation is the highest order of management. It takes time, effort and a great deal of analysis. First you've got to decide to whom you're delegating the responsibility, and then you have to put it in writing. If Mary is now in charge of scheduling, then it becomes part of Mary's written job description. Mary has to make a commitment to doing the scheduling, and she has to see that all the standards that you set for scheduling are followed.

Once a duty has been given to a responsible person, don't you feel relieved? You don't have to do this anymore, and that's a good feeling.

11. Help build written communication skills. Writing is a lost art. "But what do supervisors have to write?" you may ask. They have to write memos, letters, job postings and performance reviews. But not many do, and this documentation can make a difference if you ever go to court.

I use something called a "notice-of-incident" for documentation. It means that an incident occurred that was worth noting—positive or negative. The other thing I require of all my supervisors is a management diary where they keep a daily log of their management activity. These make great reading, by the way. You'll learn so much about the individual who's doing the writing. I had to read one the other day because we had a problem in one of the departments, and I saw in there, "I asked Kathy McGinley not to speak to this employee, but she did it anyway."

12. Help to identify a career path and goals for your supervisors. All behavior is goal-directed, need-satisfying and justifiable to your supervisor. So every six months you'd better check and see what their goals are to make sure that they are the same as yours.

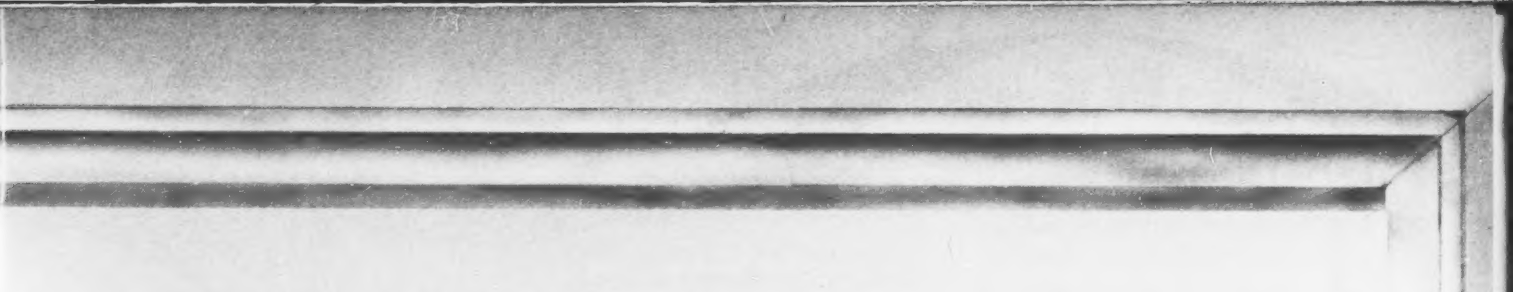
The service sector has come up with 12.6 million jobs since 1982. That's 12.6 million people who are supposed to think that service is a good job. One of the things we keep hearing is that they don't. We need to take a good look at the people who work for us, including our supervisors. We hear horror stories about servers who are sullen, indifferent, careless, even hostile. "I'm a bartender until I get through college." "I'm a waitress until I get my husband through the Navy." All that says is, "I'm here, but I don't want to be." That's because they don't see the career path. We have done a terrible job of showing people in our industry where the opportunities are. So first of all, we need to better outline career paths.

Secondly, we need to impress upon service personnel that there is inherent dignity in serving people. It seems to be particular to this country that people don't see that. Who's going to set the example for service in your restaurant? You are. You're going to get out there and wait on a customer the way you want it done. You're going to show that you, the owner of the place, serve people and you still have dignity. Believe me, that will carry through your entire operation because that's a standard that you set for your supervisors. If you improve the self-image of your supervisors, they will improve the self-image of your servers.

13. Assume that your supervisors are mature, intelligent and professional. If you decide that supervisors are worthy of your respect, then most of your interactions with them will be positive. If you decide that all supervisors are immature and unprofessional, then most of your interactions will be negative. Treat them with the same respect you accord your peers.

In sum

So, you see, you've got to let your supervisors go. You've got to let them get out there and try a few things. Yes, you should direct them away from some of the pitfalls, but never stifle their enthusiasm. ❑



A CHECKLIST FOR HIRING MANAGERS

Developing a good relationship with your managers starts at the beginning—when you hire them. Here are some tips to keep in mind the next time you hire a manager for your operation.

1. Don't hire out of desperation. Project your needs and give yourself plenty of time to review the candidates. Repeatedly, management pros note that bad managers are hired because not enough time was set aside for recruiting and hiring. Usually one interview is not enough to get a good look at the candidates for managerial jobs.

2. Remember you hire as is. What you see is what you get. Skills can be built, but the raw talent/character must already be there. Get to know the candidate during the interview process.

3. Look for a people person. A manager who does not like people or work well with them is a liability to your operation—not an asset. Assess this by drawing out the candidate's experiences in other employment situations.

"This tells a lot about the person—what skills they already possess and what expectations they come with," says Al Hughes, director of support systems for Sizzler Restaurants. You can ask such questions as: "Do you mingle with customers?" "How often do you meet with your people?" "Where do you position yourself during busy times?" Specifically, you should look for indications that the candidate can communicate, motivate, train and discipline employees.

4. Look for someone honest. This is one of the top qualities noted by most operators, but not an easy one to ascertain. Although many hiring veterans agree that deciding whether someone can be trusted comes down to intuition, honesty must be considered during the hiring process.

5. Examine previous successes. Assess potential by looking at candidates' successes at other restaurants. Be sure to note what they (not others) initiated and developed. "Ask them about their successes—what they initiated. Those that respond immediately have successes," notes Richard Giannino, director of human resources at J.C. Hillary's Limited, Boston. Remember, a good manager is willing to try out ideas, yet is realistic enough to revamp programs that do not work out the first time.

6. Establish leadership ability. Reference checks can be helpful here but so are pertinent questions. "I ask a person to describe the best supervisor they ever worked for," says Giannino. "You can quickly pick out the shallow person of no substance from one who recognizes the qualities of the leader."

7. Look for good business credentials. Because a percentage of the restaurant business is technical—reports, profit and loss statements, schedules, etc.—managers need technical expertise and business skills—from accounting to marketing.

8. Look for someone with a service bent. The whole concept of serving may be distasteful to some candidates, but they may not realize it. "You must try to see if a person has the right inclination to give customers what they want," says Fred Ley, senior director of field personnel at Pizza Hut, Inc., in Wichita, Kansas.

Ley invites candidates to sit with him at busy times to talk about the job, to observe what the job entails and to discuss difficult situations that arise. "I think that by letting them observe the action on a Friday or Saturday night when all hell is breaking loose, we have a better chance of getting the right person."

9. Look for enthusiasm for hard work. Because of the long hours that routinely are a part of restaurant management, it is good to look for a person who is committed to the job and has a realistic view of its demands.

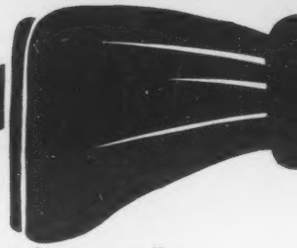
10. Probe potential problem areas. You can get an idea about potential problems by asking the candidate to discuss any negative job experience. Some operators also make it a point to ask about drug and alcohol use.

11. Talk about the good things you do for managers and hourly employees. If you have an excellent compensation or bonus program be sure to tell the candidate about it.

12. Look within your operation. Today, more than ever before, good managers are being developed from hourly and entry-level staff. For district managers, this means constantly talking to people in the field to assess their abilities. For unit managers, this means spotting people on a day-to-day basis who may have potential.

Some companies have a policy of only recruiting managers from their own ranks. "We look for shift managers and assistant managers to promote to managers," explains Ley of Pizza Hut, who gave up hiring from the outside years ago. Describing his approach, he says, "We want to get people earlier in their career and groom them and keep them. Our approach is to grow our own." ☐

—Kathy Boyle



by Paul Moomaw

The term maitre d' conjures up images of an old-world, tuxedo-clad gentleman who addresses his patrons with a European accent, leads them to a table and bows away after an exchange of refined dialogue. This distinguished, aloof image of the maitre d' has been perpetuated for decades in movies and literature, but it may not exist much longer in the modern restaurant.

In some establishments, the title of maitre d' is being abolished in favor of "house manager," "director of dining services" or other corporate-sounding titles that are symbolic of the Americanization of the restaurant business. As the traditional maitre d' adopts a less intimidating stance, the relationship between maitre d' and patron is becoming less formal. And women are finally entering a field that has never been open to them before. These are just some of the changes facing the modern maitre d'. But what do the changes mean? Are modern maitre d's a new breed of restaurant service people dedicated to better dining through efficient service? Or do the maitre d's mark the end of an era of high standards for hospitality and elegant dining? Operators are divided about the implications.

Yes:
It's time for a change

Operators favoring the change are very matter-of-fact, saying it fits in with the times. Today's restaurant setting is more relaxed, the restaurant patron is more sophisticated and the generational standard of appropriateness has shifted—more so in some parts of the country than in others.

"Years ago, the maitre d' role was a little starchy. He was almost aloof," says association past president Ted Balestreri, co-owner of Monterey, California's Sardine Factory for almost 20 years. "Today he must be more like a conductor and more friendly. He's more likely to say, 'Hello, Mr. Smith, how are you? How's the wife?' instead of 'Good evening, Mr. Smith, sir.' Rather than aloof, he has to be more hospitable, less intimidating."

One explanation for the more relaxed attitude of the maitre d' is the more casual restaurant atmosphere of today, especially on the West Coast. "California has a little more casual lifestyle," notes Balestreri. "In New York, you've got the power broker lunch with people in dark suits. In California, people are more likely to be talking about their golf or tennis game."

The maitre d's role may also be changing because of a shift in the mindset of restaurant owners and their patrons. To Alex Brennan-Martin, co-owner of Brennan's of Houston, the change in the modern maitre d' is merely a reflection of current attitudes. "People view the restaurant business in a different light now," he says. "I think you used to have those old-style maitre d's—the intimidating, aloof types. But people just don't want to be treated that way anymore. They have too many other choices.

"The stereotypical maitre d' is fast vanishing," adds Brennan-Martin. "In fact, we don't even use the term maitre d' anymore. We call them front-of-the-house managers."

At The Manor in West Orange, New Jersey, manager Stephen Meier agrees that the tide is shifting away from a formal, stilted atmosphere. "We may try to be less formal than we used to be," says Meier. "But I think that is the trend everywhere, although there are still some strongholds of formality in New York and other big cities."

Although The Manor has not eliminated the title of maitre d', they are concerned with keeping him an approachable character who won't turn off patrons with intimidation. "Our setup is such that we try to avoid having a maitre d' appear intimidating," says Meier. "For instance, some restaurants put a physical barrier between the maitre d' and the customer. I've seen restaurants where the maitre d' is behind this huge desk or podium. By design, we have a small podium to eliminate that barrier."

Although these changes in attitude toward the maitre d' may not be surprising in a country that seems increasingly concerned with leisure and informality, they are noteworthy in a profession that is steeped with tradition. The term maitre d' is a shortened form of the French phrase *maitre d' hotel*, which originally meant "master of the house." In the past, the maitre d'hotel in a royal household was a high-ranking person—sometimes a person of royal blood. This person would oversee all the departments of the royal household, including the kitchens and cellars. It has been a long road from the royal maitre d' hotel to the modern "director of dining services."

No:
It's a symbol of declining service

Although some view the change in the maitre d's role as a victory for better restaurant management, others feel that the change is a mistake that may be taking away the last unique quality of upscale restaurants: hospitality. In fact, association past president Walter Conti, longtime owner of the Conti Cross Keys Inn in Doylestown, Pennsylvania, maintains that the changing role of the maitre d' is a symbol of the restaurant industry's road to self-destruction. "The position of maitre d' has not changed," says Conti adamantly. "The people filling the role have changed. Our industry is on the verge of the greatest success it has ever had, yet it's about to collapse."

THE CHAN
OF THE

Paul Moomaw is a communications specialist at the National Restaurant Association.

GING ROLE MAITRE D'

Conti maintains that the decline in formality on the part of maitre d's is a symptom of overall declining service in the restaurant industry. This decline, Conti feels, leads patrons away from upscale restaurants to cheaper alternatives. "If a maitre d' just shrugs his shoulders at a customer or ignores some members of a party, people are going to say 'Why pay for that?' " says Conti.

Conti, who has owned his restaurant for more than 20 years, doesn't draw distinctions on geographical lines. "It's happening all over," he says. Conti has some definite ideas about what makes a good maitre d'. "The maitre d' has two roles," he explains. "First of all, he must manage the front of the house: instilling discipline, training the staff, etc. Second, he must function as a personality. He must be neat, have good presence and style, and be courteous and kind. And he practically needs a degree in psychology. Experience in all areas of the restaurant is necessary, too." According to Conti, "We look for someone who has paid his dues. He should have worked two years in the kitchen, a year at busing, two years waiting and a year as a captain. Then, after all that, he can become assistant to the maitre d'.

"The owner can function as maitre d'," adds Conti, who often plays the part himself. "In fact, the maitre d' should be an extension of management. If someone came to me right now and said, 'I want to be your maitre d',' I'd say, 'Fine, but you've got to put in five years at my restaurant first. I don't care where you've been maitre d' before.' "

Conti agrees that the maitre d's of today are less formal than in years past, but he doesn't accept a change in societal views as an excuse for decreased formality. "Absolutely not," says Conti. "That very philosophy is the mistake and the problem. Formality is not the issue. It's courtesy. In this restaurant, every customer is called by his last name. And people love it! Whether it's a $10 restaurant or a $100 restaurant, that's how it should be. While Conti is a hardliner when it comes to maintaining the traditional service role of the maitre d', he isn't concerned with perpetuating the stereotyped view of the person holding the position. In fact, he welcomes the idea of women in the role of maitre d'. "Yes," says Conti, "they're great at it. They still have the sensitivity to people. A maitre d' doesn't have to be the old, foreign-born, gray-haired male of the past.

"A good maitre d' just has to have total dedication to his or her profession and a total understanding of the duties as well as a certain amount of presence—that undefinable quality. It's not meant to be power or intimidation; it's professionalism."

For Walter Conti, the idea of making the maitre d' a mere host or hostess is sacrilegious. The traditional function is just too important. "The maitre d' is the key to a good restaurant. He is a symbol of hospitality—or at least he should be."

Oreste Carnevali, who has been the Four Seasons' Manhattan symbol of hospitality for 21 years, would fit anyone's description of the classic maitre d': foreign-born, foreign-educated, multilingual, sensitive to the logistics of food service and, above all, gentlemanly. Like others, Carnevali is unimpressed with the changes he sees in the modern maitre d'. "The traditional maitre d' is certainly dying out," says Carnevali. "The young generation of maitre d's are different. They do not speak several languages, and they seem eager to go into some kind of managerial position."

Carnevali, who is from Italy but attended school in Switzerland, thinks that proper training is important. "A good maitre d' has very wide experience—in the kitchen and everywhere in the restaurant," says Carnevali. "It is important that he go to school because the maitre d' must understand cooks. You see, a good maitre d' can get things from the kitchen that a waiter cannot get."

According to Carnevali, the new breed of maitre d's are offering a diminished level of service, both here and abroad.

Carnevali does not feel, however, that the diminished level of service is driving customers away from upscale restaurants. "To the contrary, I think that good restaurants are gaining in popularity. But the younger customers today do not require the same level of service as in the past. They are very flashy—they order the caviar and champagne—but they don't know what kind of service they are getting."

The maitre d' who speaks several languages seems to be a dying breed, too, says Carnevali. "It can be very helpful to speak other languages when you have European guests who do not speak English. Until a year or so ago, we were not getting so many Europeans. But now, with the dollar the way it is, we've got Europeans galore." Carnevali practices what he preaches: He speaks English, French, Italian, Spanish and German.

But the worst change of all, says Carnevali, is the lack of consideration shown by the new breed of maitre d's. "The old-fashioned maitre d' would always respect the customer. If the customer were wrong, the maitre d' would make him believe he was right. You cannot be snappy with customers. But these young maitre d's tend to be snappy and fresh with customers. They have a sort of 'who needs you' attitude. I am about 50 years old," says Carnevali, "so I am from the old school which says that the customer is king."

Verdict still out

So it appears that the verdict on maitre d's has yet to be delivered—there are as many opinions about the changes in the maitre d's role as there are restaurateurs. To some, the changes are symbolic of a new, more effective management style for American restaurants. To others, the changes represent the decline and fall of the art of creating a fine dining experience. Either way, a restaurant tradition is in a state of transformation. ❑

FRANCHISE PARTNERSHIPS

by Dorothy Dee

Cross franchising is a new partnership arrangement catching on in the franchise sector: Companies with similar management styles and business philosophies—but different products—are coming together under one roof to split costs and boost profit.

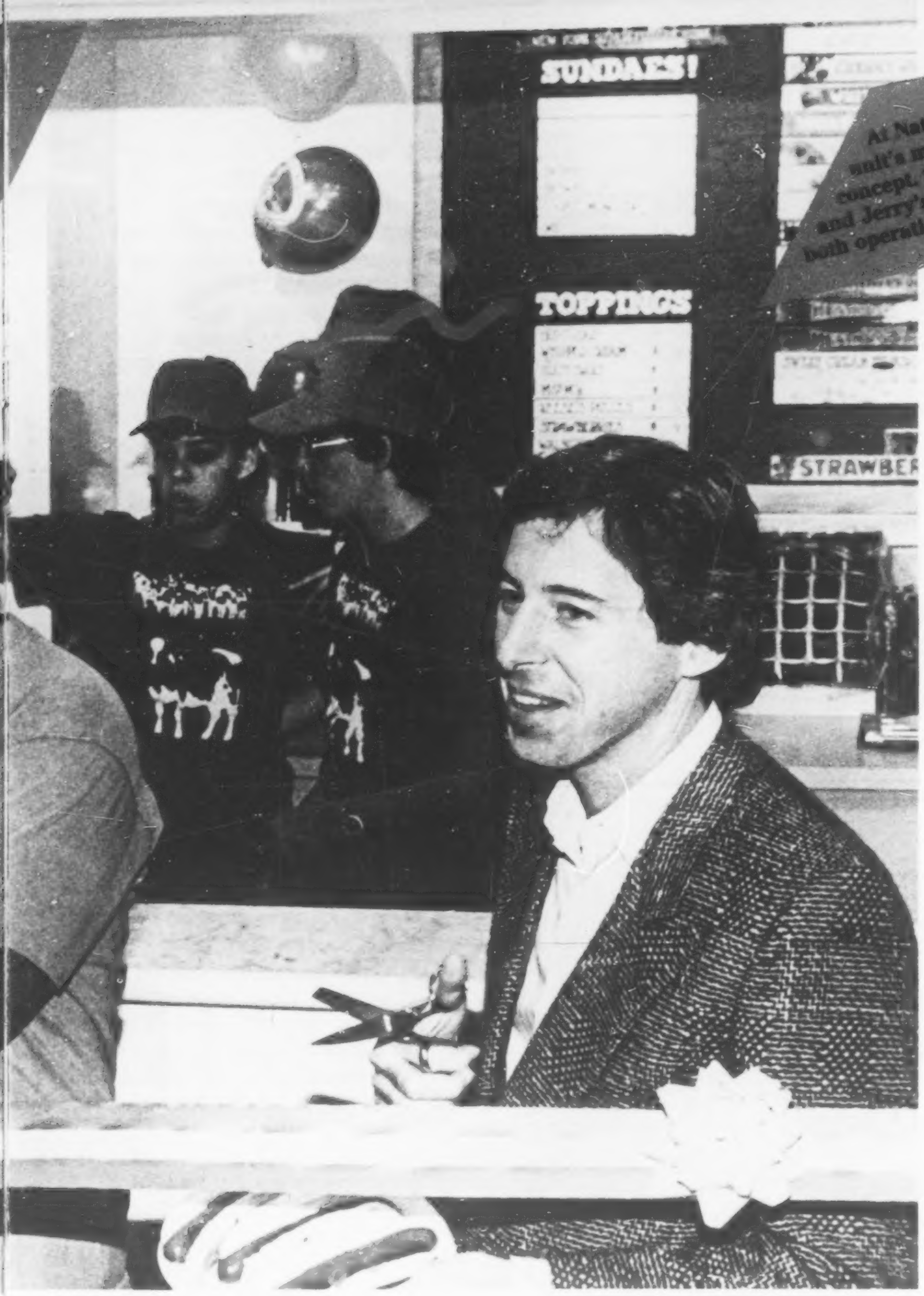
At the same time that many top executives of franchise foodservice companies are trimming their menus to more strongly resemble the successful initial offerings of their organizations' beginnings, contrary trends are also afoot. Fast food and midscale chains are teaming up with franchises similar in size, management style and philosophy.

Dorothy Dee is a freelance writer in Bethesda, Maryland.

Some fast food and midscale chains have even chosen to open their doors to other franchises to enhance their menu, erecting stations within their units and acting as franchisees to franchises that offer signature items. And some franchises of large conglomerates, such as The Pillsbury Company of Minneapolis, offer signature items of chains in sister combination units resembling mini-food courts. Why are these partnerships taking place? There are many benefits to this shared arrangement, and increased traffic and sales top the list.

☐ **Menu & image enhancement.** Pairing one popular signature item with another both broadens the menu and enhances the overall image of the operation. In the mind of the customer, the combination franchise may assume the quality image associated with one or the other concept.

☐ **Increased customer counts and big sales.** By broadening the menu to include various concepts, the combination unit attracts more and different customers. For instance, a hamburger concept linked with an ice cream franchise attracts the snack customer who might visit the estab-



At Nathan's Famous, Inc.'s Yonkers, New York, store, the unit's managers are all trained in the Ben and Jerry's concept. "They are Nathan's managers first and Ben and Jerry's managers second, and they are able to operate both operations successfully," says Nathan's CEO Steven Buckley.

lishment mid-morning or mid-afternoon. At the same time, traditional lunch and dinner customers get the opportunity to top off a meal with a premium dessert.

□ **An effective advertising vehicle.** Featuring different types of menu items in combination increases brand awareness and product presence by expanding the overall distribution system and advertising products to customers who would not normally seek them out.

□ **Building on a captive audience.** In fact, cross franchising at nontraditional sites, such as tollroads, turnpikes and train stations, delivers the product's message to a high volume of prospective customers when they may be most susceptible to purchase.

There are operational benefits as well.

□ **Access to prime sites.** Cross franchising multiple concepts may offer companies access to prime sites normally out of reach without the combined marketing strength of the other concepts. Vince Brown, vice president of corporate development for Dunkin' Donuts Incorporated, suggests that Dunkin Donuts might not have had access to prime locations, such as Manhattan's Grand Central Station and Pennsylvania Station, were it not for the fact that its Manhattan franchisee, the Riese Organization, often features the product line in innovative combinations with other leading food concepts.

□ **Lower construction costs.** With the values of land and construction soaring, cross franchising is a less expensive alternative to erecting two concepts on separate sites. Two concepts operating under a single roof share the same eating area, rest rooms and other facilities, reducing initial construction costs.

□ **Easier financing.** The multiple franchising concept may well aid prospective franchisees in obtaining easier and better financing by documenting greater sales potential.

□ **Shared overhead costs.** For the most part, overhead costs are the same with one or more concepts operating under the same roof. Cross franchising gives the operator a chance to maximize sales potential while keeping overhead costs more or less stationary.

□ **Greater utilization of staff and management.** Cross training staff and management in more than one concept offers the operator greater flexibility in managing traffic flow during busy hours and sudden rush periods. At the same time, employees may be more satisfied with more diversified assignments. Arthur Becker, vice president of marketing for Taco John International, says, "You have savings in crew time. If there is a big rush on the taco side, you move more staff over there and vice versa." At Nathan's Famous, Inc.'s Yonkers, New York, store, the unit's managers (a general manager and three restaurant managers) are all trained in the Ben & Jerry's concept. Steven Buckley, executive vice president and chief operating officer of the $25 million, 18-unit Nathan's chain, says, "They are Nathan's managers first and Ben & Jerry's managers second, and they are able to operate both operations successfully."

How it works

Although there are as many variations of the joint ventures as there are partnerships, cross franchising configurations occurring in the industry are primarily 1) the franchise within the franchise, 2) combination units offering subsidiary signature items or 3) combination units featuring the signature items of separately owned leading chains.

1

Franchise within a franchise

In this arrangement the franchisee or company-owned unit of one franchise also chooses to be a franchisee of another organization. Typically, the unit selects a second franchise that offers a complementary signature menu item. The new franchisee performs all the traditional activities of that capacity, including erecting a suitable station within the unit to sell the product, staffing it with personnel and purchasing product and supplies from approved distributors. Likewise, the new franchisor performs usual franchisor functions, such as training the franchisee's staff in the new concept, offering assistance in organization, merchandising, etc. Usually the franchisee bears all costs of overhead, including personnel costs and keeps all proceeds from sales except for franchising fees, royalties and any agreed-upon advertising costs.

An example of a franchise-within-a-franchise concept is Nathan's Famous, Inc.'s Yonkers, New York, store. Since late 1987, the unit has operated as a franchisee of Ben & Jerry's Homemade, Inc., selling 34 flavors of Ben & Jerry's superpremium ice cream. Although considered to be a trial test, corporate management says the venture at the high-volume Yonkers store has proven successful. "The unit is very successful," says Nathan's Buckley. "It provides strong incremental sales that substantially drop to the bottom line." Buckley estimates that incremental sales at a Ben & Jerry's and Nathan's combination unit could range from $200,000 to $300,000 a year.

BURGER KING
Godfather's

By broadening the menu to include various concepts, the combination unit attracts more and different customers.

Arby's Flour Pot Cookies and how they grew

According to Ira Hermann, executive vice president and chief operating officer of Arby's, it started with a 200 square foot $12,000 kiosk at Tulane University. Hermann is referring to Arby's Flour Pot Cookies, the in-store kiosks that began featuring cookies and ice cream to Tulane students and are now one of the hottest new concepts in the 1,700-unit roast beef chain.

Why did Arby's develop the kiosks? Hermann explains, "We felt there was an opportunity to expand our cookie line, but we didn't want to go to the expense of putting in a freestanding restaurant. We also wanted a captive audience that we could get an immediate reaction from." The initial test showed that business soared during normally slow day-parts, and 85 percent of those sales were cookies.

Less than one year later, cookie kiosks, some offering ice cream, cinnamon buns, muffins and coffee in addition to cookies, are operating in 10 franchisee and 7 company-owned Arby's, with some units doing as much as $1,000 a day in incremental sales. Hermann attributes the concept's luck to the new-found snack customer. "People don't come to the restaurant at high frequency between 1:30 and 4 p.m., but if you get them in for a snack item, it really opens it up." Arby's found the kiosk concept highly adaptable, easily converting to a mini-breakfast operation and sometimes a drive-thru accompaniment.

Another successful example of the franchise-within-a-franchise concept is the marriage of the 19-year-old Tex-Mex chain Taco John International with Bresler's 33 Flavors, Inc., known for its quality ice cream. Although Taco John was at first fearful that customers might reduce entree consumption to make room for dessert, the results of an eight-month test have dispelled this fear. In fact, vice president of marketing Becker says that gross sales in units with the combination concepts are higher than at some single-unit Taco John's.

2

Combination units featuring subsidiary signature items

A conglomerate or franchisee of a large organization owning several food concepts may decide to expand its menu and day-part offerings by becoming a franchisee of several of the parent company's subsidiaries. The operator of the unit maintains separate franchising agreements with each of the subsidiaries. One example is the Uni West Development Corporation, a franchisee of Burger King, Häagen-Dazs and Godfather's Pizza, all part of The Pillsbury Company. Uni West Development operates a 10,000-square-foot facility featuring all three concepts on the second floor of the Mint Casino in Las Vegas, Nevada.

3

Franchisee offering signature items of different leading chains

This arrangement is similar in theory and operation to combination units selling subsidiary signature items. One example is the Marriott Corporation which acts as a franchisee for both Dunkin'Donuts and Popeye's on the Indiana Tollroad and Ohio Turnpike. It operates four combination units featuring those concepts in that area. Another case in point is the Riese Organization, which operates a number of successful combination units in prime locations such as Manhattan's bustling Pennsylvania Station, Grand Central Station and Wall Street. These units feature various combinations of the Dunkin'Donuts, Pizza Hut, Church's Fried Chicken and Roy Rogers concepts.

Despite their different arrangements, units that cross franchise manifest many similarities. They feature signs bearing the concepts' trademarks, staff wear the uniform of the concept they are working, workers are managed and wages are paid by the franchisee operating the combination unit, and separate registers are used to maintain separate accounting records for each concept.

The success formula—what to look for

☐ **Similar theme.** If you are interested in exploring cross franchising, look for operations that have a similar theme. To maintain the identities of both concepts and uniformity of decor, look for a partner whose theme approximates your own. When looking for a strong dessert program to add to the Nathan's Famous menu mix, the organization was attracted to both the style and menu of Ben & Jerry's Homemade, Inc. "We wanted something distinctive that also had a flavor of Americana that we feel is part of Nathan's. Ben & Jerry's is a unique style of operation that happens to blend very attractively with the Nathan's unit. We feel that the combination of Ben & Jerry's and Nathan's adds a new dimension to our operation," says Steven Buckley, executive vice president and chief operating officer of Nathan's Famous, Inc.

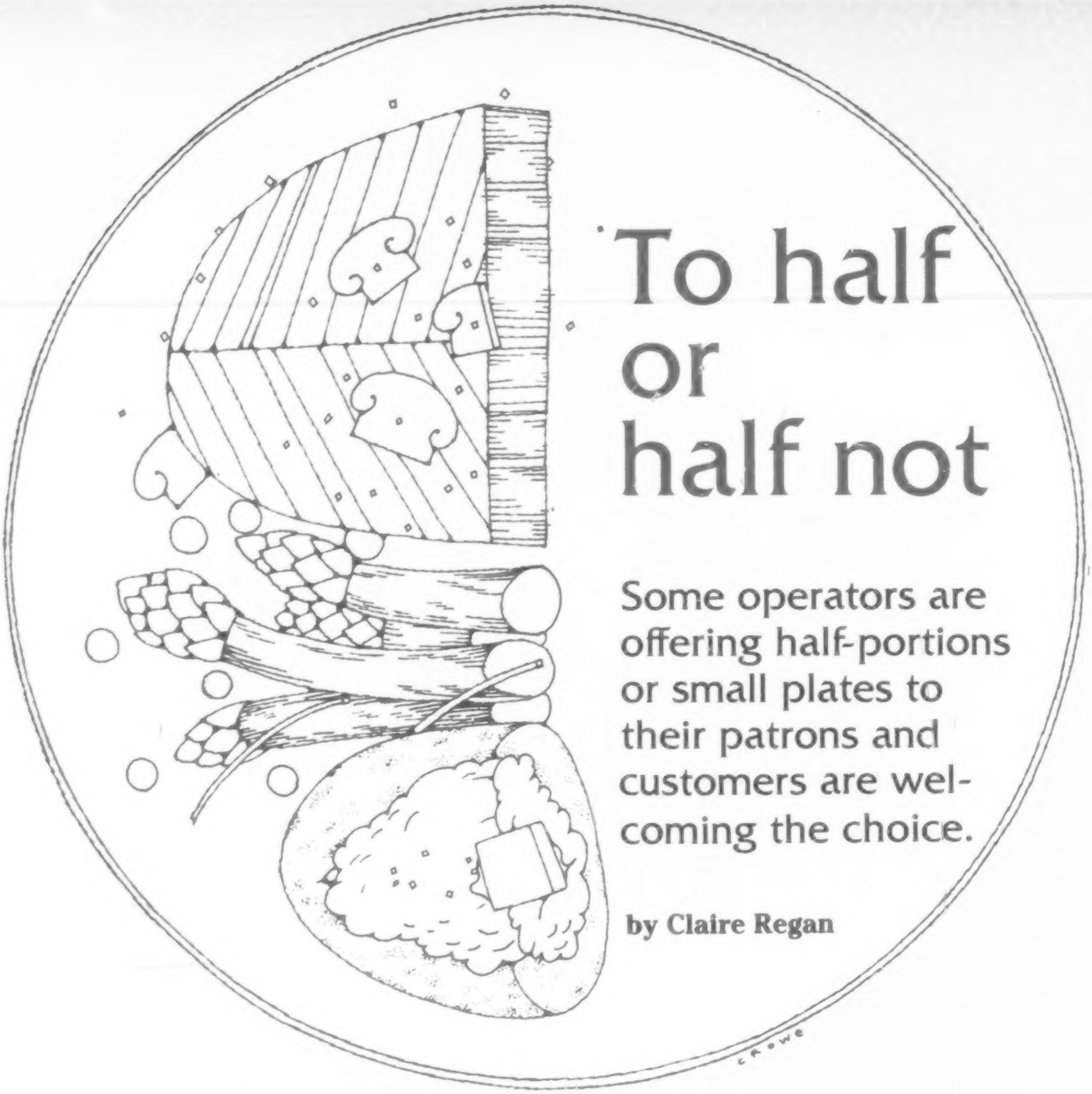
☐ **Complementary menu item.** Team up with a concept that offers a complementary menu item, which opens up day-parts by building traffic and sales during normal slow periods. For instance, Las Vegas's Mint Casino now boasts a combination unit that features the menu items of Burger King, Häagen Dazs and Godfather's Pizza. Larry P. Gadola, vice president of development for Godfather's Pizza, advises, "Now you have a facility that has all the day-parts—breakfast, lunch, snack, dinner, takeout, delivery, even take-and-bake and hot slice (pizza by the slice). Arthur Becker, vice president of marketing for Taco John's, echoes this sentiment: "The addition of ice cream opens up that whole middle of the day snack. You get the office worker, factory worker, student during the 2 to 5 o'clock period when people are not really likely to be eating a Mexican meal."

☐ **Similar size and style**. Joining forces with an organization of similar size and management style reduces the possibility of conflict and increases the likelihood of a successful joint venture.

But a word of caution: Don't bite off more than you can chew. Tailor the union to your operation and customer base. Don't put in a full-scale station if your traffic won't support one. Explore other possibilities, such as a counter or kiosk. Combination units are most successful in areas with high-traffic volume.

In sum

Cross franchising offers numerous opportunities for operators, but establishments must be wary of image blurring and any possible reduction of the original concept's sales. Some foodservice chains have elected to discontinue some cross franchising tests. Wendy's International and BaskinRobbins USA, Co. decided to mutually end a 15-month test, and the 7-Eleven convenience store giant ended tests with Hardee's and Church's Fried Chicken. Jeff Furman, vice president of Ben & Jerry's Homemade, Inc., suggests, "The major concern is understanding that you are tying in with a company that has a certain image and operational requirement."



To half or half not

Some operators are offering half-portions or small plates to their patrons and customers are welcoming the choice.

by Claire Regan

It used to be that small portions were reserved for children's menus or senior citizens' specials. But times are changing. Some operators are offering half-portions or small plates to their adult patrons and their willingness to do so is fueled primarily by efforts to increase customer service and/or check averages. Laurent Quenioux, executive chef and owner of Los Angeles' 7th Street Bistro (110 seats), noticed that many of his patrons were splitting full orders between them. Two years ago Quenioux decided to offer half-portions on his dinner menu. He claims the practice has increased repeat traffic. "I run a fancy restaurant with a national reputation, and people come here to taste the food. Half-portions allow them to taste more for their money. Plus, our menu changes every two weeks. People come back because they know half-portions are available, allowing them to taste three or four new items in one meal," Quenioux explains. "The perceived value is increased."

Other restaurants are counting on the same kind of acceptance. Last spring, Lawry's The Prime Rib Restaurant, Los Angeles, Dallas and Chicago, added a six-ounce "California Cut" to its menu—the first menu addition in 12 years. The dish is offered at $15.95, consistent with Lawry's other cuts of prime ribs and extremely popular. "The California Cut was developed in response to customer requests for more selectivity in portion size. By offering a lighter menu option, we better serve those customers' eating habits and lifestyles," says Richard N. Frank, president of Lawry Restaurants, Inc.

The practice of offering choices in portions is not limited to fine-dining establishments. Jack Caddell runs Hamburger Heaven, a fast food establishment in Birmingham, Alabama, and he partially attributes his rapid growth to offering a choice of hamburger sizes. He didn't start out with this in mind, however. When Caddell opened Hamburger Heaven five years ago, he featured a regular burger (4 ounces) and a jumbo (8 ounces). He soon realized that his adult patrons were buying these burgers for themselves but were going across the street to a competitor to get burgers for their children. Caddell boasts, "I eliminated that problem by adding a miniburger (1.6 ounces) to my menu.

Claire Regan, R.D., is manager/staff nutritionist for the National Restaurant Association.

We form our own patties from bulk freshly ground beef so it wasn't a problem."

Unexpected benefits

Operators who conceived half-portions with a particular benefit in mind have been pleasantly surprised by some of the unanticipated advantages. Nathan's (120 seats), situated in the heart of Washington, DC's bustling Georgetown district, features Northern Italian cuisine. General Manager Gregory Doherty says his reason for offering half-portions of pasta dishes was to encourage their consumption as an appetizer. "The halves of pasta increase the check averages, but we're also selling more wine as a result. People tend to order wine by the glass, a Chardonnay for instance, with their half orders of pasta, and then they order a different wine, by the bottle, to accompany their entrees." He adds that the half-portions of pasta have positioned Nathan's as a destination restaurant in a crowded market. According to Doherty, "people come to Nathan's because they know they can get halves on the pasta. This is especially true at lunch."

There may be problems

Despite the advantages of including half-portions or small plates on the menu, there can be problems. Gordon Sinclair began featuring half-portions two years ago in an effort to boost pre-theater sales in his restaurant Gordon's (135 seats, Chicago). Although he suspects the choice in portions has contributed to the operation's success, Sinclair admits it is a risky proposition. "I entered this project with trepidation. It increases the workload on the back of the house and the waitstaff." He explains that half-portions, offered on entrees only, are served on separate plates, almost as different courses. "The kitchen has more plates to call up and the rhythm of the service can be interrupted. For example, two people on a five-top order two half-portions each. On a busy night these two may end up waiting for their second half-portion while their friends are eating their entrees," Sinclair illustrates. And, the waitstaff at Gordon's initially was reluctant to sell half-portions because they anticipated lower checks and, consequently, lower tips.

Sinclair has managed to develop solutions to most of these problems. To better accommodate the increased production load caused by half-portions, Sinclair and his chef have made partial design changes in the kitchen. An additional stove and changes on the line have increased efficiency, but at a price of $5,000 to $6,000.

Because Sinclair prints his menu daily, this affords him the luxury of tailoring it according to forecasted traffic. "When we first began offering half-portions, we'd leave them off the menu on busy nights. We still might eliminate them when we have a real overload situation. But now so many people know about the half-portions, they request them even when they aren't menued," Sinclair exclaims.

To motivate his waitstaff to sell half-portions Sinclair coached them and offered an incentive. Working on a point system, double points were awarded for half-portions sold.

Another possible drawback of offering small plates and half-portions is that patrons may order only one as an entree. "We train our staff to discourage this primarily because we don't want our guests to go away hungry," says Sarah Graves, general manager of Corona Bar and Grill, a 114-seat contemporary Mexican restaurant in San Francisco. Servers explain that the "small plates" and "starters" the restaurant offers may not fill them up. "But if a patron realizes this and still wants only a small plate, we won't discourage it. Not everyone always wants to eat a full meal," adds Graves, who trains her staff to sell "modular dining," such as three small plates and three large plates to a party of four.

Laurent Quenioux of the 7th Street Bistro avoids this altogether by requiring a minimum order of three half-portions per person. His customers seem to have no problem with the policy, Quenioux estimates 80 percent of his dinners are half-portions.

When to offer, how much to offer and at what price

Determining portion size, price and daypart is another consideration for operators offering choices in portion size. Most literally halve the entree or pasta dish. Garnishes may merit special consideration though. Gordon Sinclair uses whole garnishes on half-portions, pointing out the ridiculous appearance of half a vegetable garnish. At Corona Bar and Grill, plate size is determined by the chef, says general manager Sarah Graves. "The chef will develop and test ideas for small portions. In a layered tortilla dish he might use a six-inch tortilla, but reduce it to three inches for a small plate," she says.

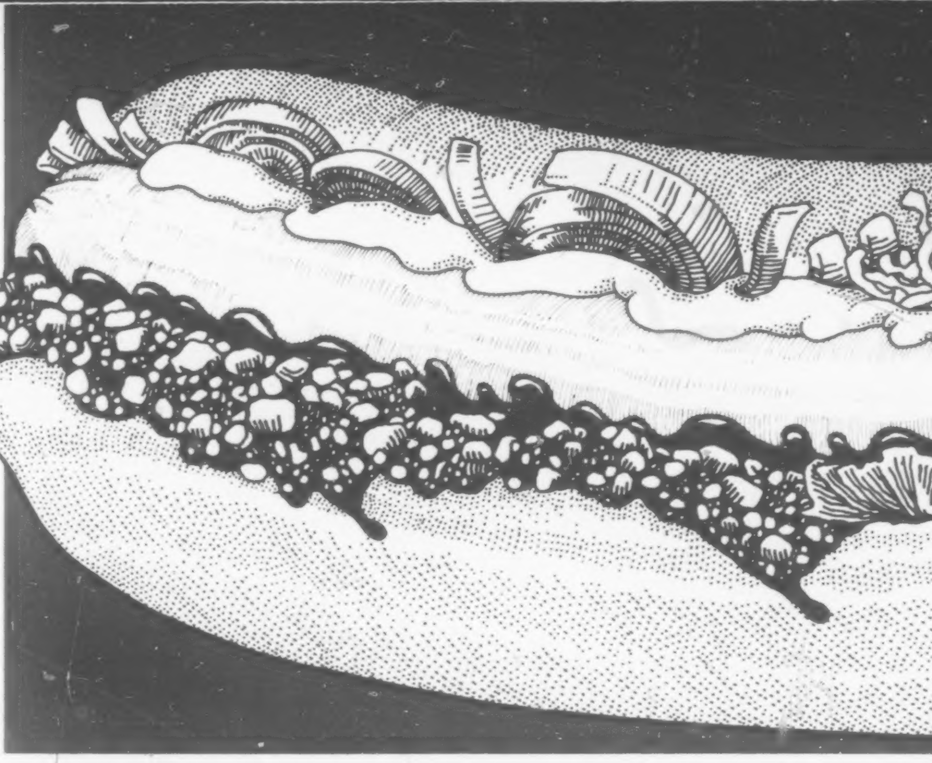
As with the size, most operators price portions half the price of a full order, plus a service charge ranging from 50 cents to one dollar. But in a price-sensitive market, such as San Francisco, it may be necessary to offer them for less. "I strive to keep small plate prices within the $5 to $7 range. If they run over $8 (half the entree cost), my guests are reluctant," Graves explains.

While some operators offer portion choices at both lunch and dinner, others have no demand for them at the noon meal. Laurent Quenioux maintains his lunch patrons do not have time for half-portions. "I'm located in L.A.'s financial district and am booked for lunch two to three days in advance. People have an hour and a half to eat. Half-portions are too hard on the kitchen and take too long to bother with at lunch."

Not for everyone

Just as the concept does not fare equally well at all dayparts neither does it seem equally appropriate for all operations. "I was the first in Chicago to try it," says Gordon Sinclair. "Others followed, but they stopped for some reason. Half-portions seem to appeal to the upscale 'foody' crowd—those people who are into food and are interested in tasting more than one dish. I'd recommend it to others with caution. Don't do it for the trend; do it to enhance the menu," Gordon advises.

Quenioux urges those operators known for their food to try the concept. "The perceived value is increased. People spend the same amount as when ordering traditionally, but they get more for their money, have more fun and they appreciate it," he says enthusiastically. ☐



IT'S A MAN-EA

Frankly speaking, the all-Americ

by David Slater

Call it frank, wienie or coney—the Toledo torpedo, tube steak or Texas red hot—whatever the name, in this age of gourmet pizzas and $9 hamburgers, there is still one traditional American food on which the value-conscious consumer can count—the hot dog.

Germany may have introduced the frankfurter to the modern world, but it was Yankee ingenuity that raised the dog to its current lofty heights. Americans refined the hot dog, inventing new machines, such as the Frankamatic, to prepare and serve it, surrounding it with a colorful vocabulary and dressing it in innovative toppings, from cheese and chili to tomatoes, potatoes, peppers, pickles and peanut butter.

Thanks to its resiliency and adaptability, the hot dog has become the stuff of legends, found in every ball park and shopping mall throughout the country, and, in some cities, on every street corner. Simple and fast to prepare, inexpensive and ideal for eating on the run, hot dogs are truly the quintessential American food. With nostalgia back in style, and value and convenience more important than ever, modern restaurateurs can look to the classic hot dog parlors for ways to teach an old dog new tricks.

Source of regional pride

In almost every section of the country, the hot dog has undergone subtle refinements that make it a unique source of regional pride. Steven Hiller, president of Redwood, California-based Ben Franks (10 units), refers to this fierce pride when he states, "The hot dog is a very opinionated product. I've been in the business long enough to know that it's unwise to argue about which dogs are best."

In several American cities, however, the citizens are not as reticent as Hiller, and a visitor will find it safer to insult the mayor or the football team than to criticize the local frank. Whether it is Cincinnati's coney dogs, topped with the city's distinctive chili, Washington, DC's spicy "half-smoke," Milwaukee's plump bratwurst or New York City's kosher-style franks from Nathan's and long, thin vendor dogs, Americans take their hot dogs seriously.

In Chicago, for example, the city's distinctive "garden on a bun"—a frank topped with mustard, relish, onions, tomatoes, spicy sport peppers and a dash of celery salt—ranks right up there with the old stockyards, the elevated railway and Wrigley Field. "It's the best, bar none," asserts Sid Kramer, owner of the First National Frank of Chicago, who believes the unique combination of toppings to be the key to the Chicago dog's greatness.

Jim McGuire, vice president of Vienna Sausage, the company that supplies 80 percent of the hot dogs consumed in the Windy City's restaurants, is quick to point out, however, that outstanding toppings alone do not a superior dog make. The perfect Chicago dog, he claims, has a natural casing frank, "with a 'snap' to it," boiled or steamed to retain the flavors and juices, and a compatible poppy seed bun that "is high in protein, is forgiving (takes well to steaming) and has a strong hinge." When you taste a dog that has these essential ingredients, says McGuire, "you're going to say to yourself, 'That's good, and I'd like another.' "

The upstate New York coney

"I'd like another" also comes naturally in Liverpool, New York, a suburb of Syracuse, when customers at Heid's (50 seats plus outdoor picnic tables) are confronted with the white hot dogs known locally as "coneys." According to Susan Platner, whose family has owned the Liverpool institution for 102 years, the "white hots" are made from a combination of beef, pork and veal and are always served grilled.

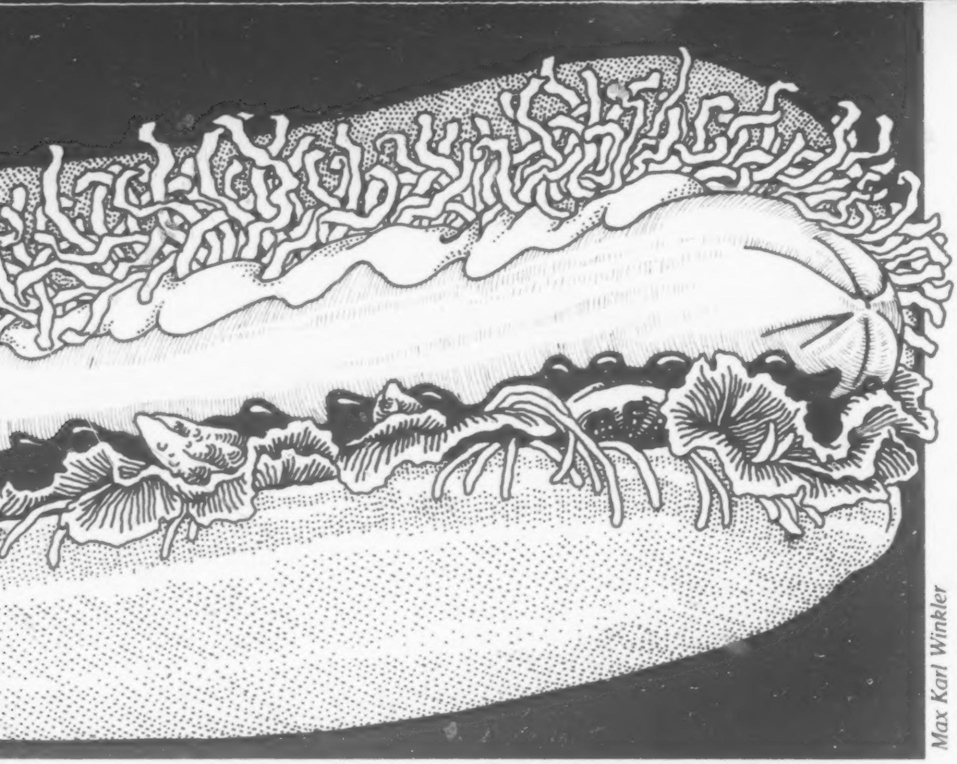
As any hot dog afficionado knows, there are points of distinction that separate the dogs from the pups and the fine hot dog parlors from the run-of-the-mill varieties. Platner cites several elements that have helped elevate the Heid's coney to the hot dog Hall of Fame. The dogs are cooked on a grill that is coated with a high-quality cottonseed oil, and the grill is used for nothing but hot dog grilling so it does not impart any foreign flavors to the dogs. In addition, the buns are not presliced but are cut open at the last moment to maintain freshness.

First-time visitors to Heid's encounter peculiar traditions that regular customers adhere to without hesitation. For example, there is only one condiment for the Heid's "white hot" or "double" (two coneys in one bun, a popular signature item)—a tangy, good quality mustard. "Ketchup, relish and onions do not go with a coney," asserts Platner with finality. And to complete the Heid's experience, the coneys are best washed down with ice cold chocolate milk.

Building the better coney

Hot dogs topped with chili are found throughout the country, but none is as unique as Cincinnati's version—a tiny, grilled weiner in a bun, smothered in mustard, onions and the city's distinctive sweet and spicy, tomato-based chili.

David Slater is a communications specialist at the National Restaurant Association.



Max Karl Winkler

T-DOG WORLD

an hot dog is as good as ever

At Skyline Chili Parlor (70 units), one of several local chains that specializes in the "Cincinnati five-way" (chili on top of spaghetti, topped with beans, cheese and onions), the coneys account for more than 30 percent of the company's sales.

The chili is the key to the Skyline coney, says Mike Ableman, the chain's field marketing manager, who adds that the company uses tiny, one-ounce wieners, shorter than the buns, "to ensure that you get chili in every bite." The coneys, when topped with grated cheddar cheese, are called Skyliners by the chain, but regulars fondly refer to them as "sliders" and "pushers." A chili sandwich, which is a Skyliner without the wiener, is popularly known as a "phoney coney."

Skyline serves so many coneys that the Lambrinides brothers, who founded the chain in 1949, invented a 2½ foot long stainless steel rack with a one-inch lip to facilitate coney preparation. The three-inch wide "coney rack," which holds up to eight dogs, is rested on one of the server's arms to free the other hand for garnishing.

The founders also devised a strict ordering formula that is followed at the chain's 70 units. In the calling system, the order-taker calls out the total number of coneys, then any distinctions from the regular coneys, then the total number of coneys with cheese (Skyliners), then any distinctions from the regular Skyliners, and finally the number of plates. For example, an order that consists of two regular coneys, two coneys without onions, two Skyliners and two Skyliners without onions, for four people, is called out as, "Eight, two no O, four cheese, two no O, on four." Simple enough?

"Rippers," "wellers," and "cremators"

It is the distictive lingo that invariably develops among the workers and regulars that creates the atmosphere of America's down-home restaurants. Hot dog parlors are a particularly fertile source of colorful language. At Rutt's Hut in Clifton, New Jersey, the restaurant's deep-fried dogs have given birth to an amusing, unwritten system of frankfurter nicknames.

Rutt's Hut's devoted customers, who have been downing as many as 16,000 dogs each week since 1928, specify their cooking preference by "calling them as they want 'em." A customer who wants the standard dog, pulled out of the deep fryer just as it begins to split open, orders a "ripper." Those who like them crispier go for "wellers." In between the two is the "well-ripper," and at the end of the hot dog line, almost burned, is the aptly-named "cremator." Those who prefer their dogs lightly fried and intact, says owner Nicholas Karagiorgis, opt for an "in and outer," which is given an abbreviated dunk in the hot vegetable shortening.

The specially made beef and pork dogs, Karagiorgis adds, are best when topped with tangy mustard and the restaurant's unique homemade cabbage relish. Although Rutt's Hut devotees from as far away as Alaska often call the restaurant for special shipments of frankfurters, these traveling dogs never taste the same, says the owner "because we can only put the magic touch on them when we cook them in the restaurant." And, he adds, "that's the whole truth and nothing but."

Head 'em up, move 'em out

As the wild West has faded into memory, some people romantically say that the cross-country trucker is the last remaining American cowboy. In reality, however, the street corner hot dog vendor appears a more worthy candidate to fill the cowboy's muddy boots. Each morning, these purveyors wheel their heavy wagons into position, braving the elements and stampedes of professionals and construction workers—just so they can bring their beef (and pork and veal) frankfurters to the hungry American workforce.

Like the men who guarded and moved the beef before them, these staunch individualists, such as Nick Peros, who works the stand at the corner of North Capitol and E Street in Washington, DC, pay a high price to be their own boss and begin the climb up the social ladder. "Sometimes people ask for a hot dog as soon as I pull the stand out at 7 a.m.," Peros laments, "and I usually don't get home until after 7 at night. But, it's worth it," he adds, "because I just don't like people ordering me around."

The product these vendors sell, too, knows no class distinctions. Virginia Ali, owner of Ben's Chili Bowl in downtown Washington, DC, where the plump, spicy Washington "half-smoke" was created, says, "The hot dog cuts across class lines. I can look in my restaurant any afternoon and see judges, yuppies and doctors eating with the postman and the regular guys from the streets."

Max Rosey, public relations director for Nathan's Famous (20 units), the original Coney Island hot dog chain that has been called "the spiritual home of the hot dog," agrees that the hot dog is "a culinary slice of American democracy . . . the choice of the man on the street."

Nostalgia is the reason the hot dog will endure, says Rosey, a self-proclaimed "hot dog historian" who eloquently traces the sausage's origin back to the Babylonians. "There's no question that the hot dog will be around forever," he asserts, "because it won't change, and you can't improve upon it. The hot dog will always be the hot dog."

INFO 88

Few national conferences have acronyms as appropriate as INFO, the National Restaurant Association's Independent Foodservice Operator's Conference, this year cosponsored by Restaurant Management. The annual event gives operators the opportunity to take a break from their restaurants to consider ideas and solutions geared specifically toward the independent operator. The 147 information-hungry restaurateurs who attended this year's conference, held January 24-26 in Miami Beach, were inspired by a bountiful feast of presentations, workshops and informal exchanges.

The weather outside the gracious Fontainebleau Hotel during INFO '88 was unseasonably cold and breezy, but the atmosphere inside was decidedly warm and congenial as attendees shared ideas and information with industry experts and each other. Breakfasts, lunches and cocktail hours assumed a serious tone as operators compared problems and discussed solutions, many of which were sparked by speakers during group presentations and smaller breakout sessions.

Some of the presentations, such as "How to manage a family restaurant and remain a family" or "Fish and seafood essentials," were specialized in their appeal. Others, like Paul Bruno's "Performance-based interviewing," were of broader interest. Attendees agreed, however, that every session included unexpected tidbits of information that could save operators time and money.

"We found some very helpful ideas and evaluations—and reinforcements, too," said Nancy Sando, who attended the conference with her husband Thayne. Much of the information gathered at INFO, said the Sandos, will eventually go into effect at their American bistro, the Savoy Cafe (100 seats) in Warren, Pennsylvania.

Several recurring themes, all related to improving and maintaining profitability, were clearly on the minds of many of the speakers and operators. These hot topics included improving service, taking action against harmful legislation, dealing with suppliers and marketing to the press and to the public.

Service: the unexpected ingredient

Service was perhaps the most talked about topic at INFO '88. The conference opened with a presentation by **Robert Patterson**, managing partner at Laventhol & Horwath, who predicted that service will play a larger role in the industry in 1988 and beyond. Of the three main elements of a foodservice operation—decor, product and service—"service is the most underexploited," he said. (See accompanying article.)

How to provide great service was discussed at length in specific sessions and as part of presentations on other topics. **Gary Penn**, founder of The Professional Waiter's School, spoke of service techniques and attitude as two essential ingredients of outstanding service. "I don't believe that a good attitude can be taught," said Penn, "but I do believe that it can be cultivated. Creating a positive working environment and encouraging communication between waiters and management makes for a happy service staff."

Association director **Michael Hurst**, owner of Fort Lauderdale's 15th Street Fisheries, discussed the "circle of hospitality" that must be established in every restaurant. To keep employees happy, said Hurst, operators must respect the workers' goals, ensure the employees' continued growth and knowledge, involve them in menu changes and other key decisions and give them a reason to be proud of the operation.

Sincerity, said Hurst, is an essential attribute of effective servers. "We should never measure the effectiveness of our servers through sales figures," he asserted, because the customer can always tell if a waiter is making an insincere recommendation.

Dealing with suppliers

Tom Kershaw, owner of the Hampshire House Restaurant in Boston, discussed several aspects of the operator-supplier relationship. This relationship, he said, demands consistency on both sides, and operators must build a good working relationship by "working *with* the supplier." Specifying exactly what is expected of the supplier through accurate advance forecasts of orders and prompt, or at least steady, payments are two ways an operator can build supplier trust.

Don Gerald, general manager, Ralph and Kacoo's Restaurants in Louisiana, discussed bulk and co-op buying, which dropped his operation's food costs 4 percent. The key to effective buying, he emphasized, is "knowing your product."

Some products, such as canned tomatoes, said Gerald, can advantageously be bought in bulk.

Denise Fugo, owner of Sammy's Restaurant in Cleveland, asserted that many operations lose money by not closely examining everything that goes in and out the back door. She recommended putting a trusted part-time employee, such as a family member, at the receiving door to weigh all incoming orders—"after stripping off the plastic or shaking the ice out of frozen chickens"—and to carefully examine all invoices. A trash compactor in the kitchen, she added, can help ensure that nothing is stolen through trashcans.

Marketing takes a personal touch

Matthew Rovner, of Rovner Public Relations, Inc., Boston, outlined ways for restaurateurs to get inexpensive or free exposure in local markets by working with the press and through community events and promotions. Rovner asserted that all operations should allocate 3 to 5 percent of their gross sales to marketing.

In his fast-paced presentation, Rovner outlined the basics of press releases, couponing, direct mail and advertising, and also divulged effective tricks of the trade, such as writing personalized notes at the top of every press release and placing postage stamps in a crooked manner to make direct mailings appear more personal.

Leslee Reis, owner and executive chef, Cafe Provencal, Evanston, Illinois, said that focus groups were one of the keys to the successful turnaround of her American bistro, Leslee's, also in Evanston. Although she thought she knew her market, Reis said these professionally arranged focus groups showed her the reality about the composition and needs of her customer base.

Denise Fugo, whose responsibilities at Sammy's include business administration and marketing, emphasized that "You must know who is creating your base if you are going to expand it." Once an operator has compiled an up-to-date list of existing customers, she said, "You must call them on a regular basis to ask them what they want."

Fugo sometimes hires part-time workers to make her marketing calls and also uses these calls as an opportunity to tell customers about services, such as private party rooms, carry-out and catering.

Phil Roberts, president of Denver-based Premier Ventures, Inc., which operates five casual dinnerhouses, discussed "multi-unit marketing clout." One of the ways he gets his restaurants' names out is through his innovative "marketing task force," staffed by two or three promising employees from each restaurant. Their duties "can range from working with charity events to knocking on doors to drum up party business," said Roberts, who added, "These employees often come up with a lot of our new marketing ideas."

Getting a perspective

No matter which sessions they chose to attend, INFO '88 participants left Miami Beach with notebooks full of ideas—and also with the renewed enthusiasm so vital to independent operators hoping to improve profitability in their operations. Sylvia Fisher, of Pondo's in Deland, Florida, echoed the sentiments of many of the attendees in saying, "When you're in your restaurant all the time you really need the opportunity to stand back and get your perspective."

1988 and beyond

A few trends for the times

by Bob Patterson

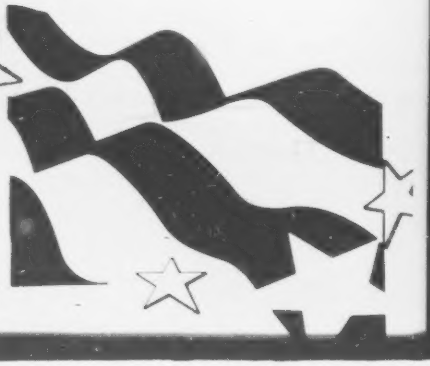
What are the economic realities operators are facing? What do customers want from restaurants? At INFO '88 Bob Patterson, managing partner of the Los Angeles office of Laventhol and Horwath, shared his insights based on more than 20 years of analyzing the industry. His session was one of the high points of the conference.

"If I had one wish for the industry, it would be a three-year moratorium on building new restaurants."

Before I make any predictions about the future, I think it's important to see how we have gotten where we are today. Trends in this business don't just happen in a year. Where we're going to be a year from now, two years from now and three years from now is an extension of where we've already been.

Last year was the seventh consecutive year of real sales growth in the restaurant industry. So that should be good news for everyone, right? It would be if there were only one side to the restaurant success equation. But there isn't. There is demand, and there is supply. Unfortunately for the restaurant operator, supply has kept pace with demand.

Even though total sales for the commercial restaurant group as a whole grew 90 percent from 1978 to 1986, we had so much growth in capacity—new restaurants, new units, new seats—that most food-only restaurants had sales growth of 51 percent, and food and beverage restaurants grew only 7 percent. That means they didn't even keep up with inflation. So, increased demand



hasn't led to windfall profits for those already in the restaurant business. Instead, the demand has been swallowed up by increased supply.

Five key realities facing the industry

What are some of the key realities that you will be facing in the near future? First, I would say that if you're counting on a dramatic increase in dining-out dollars to bail you out—don't. There were two things that drove the major sales we saw in the early and mid-70s, when six years out of 10 had real sales growth of 3 percent plus: an increase in the percentage of families with multiple incomes and the discovery of some underexploited dayparts (breakfast and snacks). The conditions for growth based on these factors have just about peaked.

I think it's almost certain that we'll see only modest growth in the near future because there isn't much left to fuel great growth. The National Restaurant Association forecasts growth of 2.9 percent in 1988. I happen to be a little more optimistic than they are. I'm not an economist, but I don't think we have adequately considered the impact of the declining dollar on the foodservice industry. It's going to help the industry more than some people think.

The Americans I know who traveled abroad last year came back and said to me, "I knew it would be expensive, but I had no idea it would be that expensive!" We have tremendous tourist destinations here in the United States, and I think some money is going to stay home in 1988. Everyone has already figured into their projections an increase in foreign travel to the United States. But, equally important, I think, is that a lot of Americans will stay home and spend their vacation dollars here. So I tend to be at the optimistic end of the scale. But you will have to compete for those modest dollars.

Here's another reality to consider. If you think you can raise prices without worrying about competition, you're pressing your luck. Looking at McDonald's sales figures for the last 10 years as an example, you can see that during the years that they enacted big price increases, sales were way off. We're dealing with a very price-sensitive consumer. That brings us to the next reality: Discounting and couponing are likely to continue. Right now about 15 percent of restaurant transactions involve discounting or couponing. If you put items on your menu that are specially priced, such as smaller portions, for example, you would find that the number of sales for these items would go up, again emphasizing the consumer's sensitivity to prices.

> *"Of the three restaurant success ingredients—decor, product and service—service has been the underdeveloped component."*

The fourth reality is that it's going to be very difficult to enter niches that are dominated by chains. Their advertising dollars, management system sophistication and purchasing power are hard to beat unless you have some truly unique slant. It can be done, but it's not as easy as "hitting them where they ain't."

The final reality is that occupation costs are going to be higher as long as we approach restaurants as we have in the past. There are few bargain sites left, and creating a distinctive, functional environment is increasingly expensive.

The consumer of the future

Having told you what I think are five economic realities of the future, I'd now like to add some brief points about the consumer of the future.

□ There is no doubt about it—America is graying. Think about concepts and modifications that can appeal to the burgeoning segment of mature adults and seniors.

□ Service will be the key to winning the customer of tomorrow. Of the three restaurant success ingredients—decor, product and service—service has been the underdeveloped component.

□ Consumers are more adventurous than they ever have been before. They're looking for what's new and unusual. They're not afraid to try new items.

□ Consumers like intensity—whether in decor, in flavors, or in the overall experience.

□ They like uniqueness. They want to try something that isn't available anywhere else. They want to be the first or the only.

□ And finally, they want to be comfortable.

Preparing for changes

So how can you prepare for these changes in the economy and customer expectations? First of all, you must treat the customer like a king or queen. Many operations are now projecting a club-like image. They have files on their frequent customers' likes and dislikes. They have special reservation numbers that customers can call in order to get favored treatment. There is recognition in the industry that service can be managed. This is called, appropriately, service management. The concept is well developed in a book by Karl Albrecht and Ron Zemke called *Service America.* (See sidebar for excerpt.)

In the occupation cost area, which I mentioned as a problem, I see a number of kinds of responses. If I had one wish for the industry, it would be a three-year moratorium on building new restaurants.

What we have now, if you look at restaurants as production facilities, is a tremendously inefficient system. We're not getting enough sales per restaurant. If we would stop building and do a lot of recycling of existing properties, then things would improve. And I sense that this is happening to a degree.

I have already seen some instances of site-sharing. Some have worked, and some have not. But I think site-sharing is something that the industry will continue to explore. Site-sharing refers to the sharing of common facilities. In its simplest manifestation, two restaurants merely share parking facilities. But in some cases, particularly in Los Angeles, an upscale restaurant is connected to a lower-priced bistro, which specializes in takeout orders. The two restaurants share the same kitchen. Similarly, some breakfast restaurants are teaming with snack-oriented operations. I think we'll see more of this as restaurants seek to get more utilization of the same physical plant.

In California and a few other places we have a new concept in home delivery from upscale restaurants. The home delivery service contracts with the operator to get a discount—maybe 20 percent—off the menu price of the restaurant. The delivery service then makes a delivery to a customer's home with a skilled waiter, and the delivery service charges a markup on top of the usual menu price. Operators who have tried this service and like it believe that it's another way to fully utilize their kitchen staff and production facility.

"You can only get it here"

An idea that I think is very important is what I call "you can only get it here." Many operators are gravitating toward products they can uniquely call their own, such as local produce, signature desserts and specialty dishes with strong flavors and intensity. They are tailoring their portions and atmosphere to their particular markets. For example, look at brew pubs. The brew pub is a concept that started in the Northwest and has been moving down the West Coast. Beer is brewed on the premises, and the brewing equipment is a very visible part of the decor. I like brew pubs because they are a fine manifestation of "you can only get it here."

There are a number of other concepts that I find particularly appealing. For instance, I like diners. People ask, "Aren't they just a fad?" I don't think so. I think they offer the price value that a customer wants, as well as a colorful dining experience.

I also like tapas if they are well implemented. Tapas are Spanish-inspired plates, often shared by many people who order several different items. Tapas are served much the same way the Chinese serve dim sum. They appeal to people who like a casual, grazing concept, and, if implemented well, they hit home with the idea that food is fun.

Caribbean food, with its intense flavors, has some interesting possibilities. The popularity of Caribbean cruises has exposed many people from all over the United States to the cuisine. People return from these cruises to their various market areas and bring others to the table.

There is still opportunity

Overall, I guess what I'd like to tell you is that the climate is not going to be easy, but I think it's going to get better. Barring a recession, we should have modest sales growth, but a slower increase in supply. I do think the foodservice industry is still a good opportunity. If you pick your niche correctly, design an appropriate concept and implement quality decor, service and product, you will succeed. Millionaires are still made all the time, and I hope that you're there—or well on your way.

Seeing service as a product

In addition to learning to understand the customer better, we need to understand the concept of service itself better. Though a service is obviously different from a physical product, it is still a product. A service product—any incidence of doing for others for a fee—can be distinguished from a commodity by one or more, and usually several, of the following service characteristics:

1. A service is produced at the instant of delivery; it can't be created in advance or held in readiness.
2. A service cannot be centrally produced, inspected, stockpiled or warehoused. It is usually delivered wherever the customer is, by people who are beyond the immediate influence of management.
3. The "product" cannot be demonstrated, nor can a sample be sent for customer approval in advance of the service; the provider can show various examples, but the customer's own haircut, for example, does not yet exist and cannot be shown.
4. The person receiving the service has nothing tangible; the value of the service depends on his or her personal experience.
5. The experience cannot be sold or passed on to a third party.
6. If improperly performed, a service cannot be "recalled." If it cannot be repeated, then reparations or apologies are the only means of recourse for customer satisfaction.
7. Quality assurance must happen before production, rather than after production, as would be the case in a manufacturing situation.
8. Delivery of the service usually requires human interaction to some degree.
9. The receiver's expectations of the service are integral to his or her satisfaction with the outcome. Quality of service is largely a subjective matter.
10. The more people the customer must encounter during the delivery of the service, the less likely it is that he or she will be satisfied with the service.

Note please that we are not suggesting that every service can or should possess every one of these ten characteristics—or even that these are the only characteristics a service can have. Just the same, these characteristics paint a picture of a very special kind of transaction between buyer and seller: the transaction we call service. The more we understand this transaction, the higher the grades we can earn on the customer's report card.

Reprinted with permission from Service America! (Doing Business in the New Economy) *by Karl Albrecht and Ron Zemke (Dow Jones-Irwin, Homewood, Illinois, 1985).*

How to design a beer list

How can a restaurant supplement its usual list of popular imports, fad beers, super premiums, local beers and light beers? By designing a beer list that takes into account the discriminating beer drinkers' tastes. Here are some suggestions on how to proceed in designing a beer list for the increasingly sophisticated American beer drinking market.

by Philip Kralovec

A good beer list creates a whole new dimension to a restaurant, opens up untapped markets and demonstrates a commitment to quality. Any restaurant can design a fine list of superb beers that will appeal to virtually any type of customer. Although restaurants offer as many as 500 different beers, most beer lists range between 15 and 100 different selections. The size of the list is largely a matter of personal preference, although larger lists have a few basic requirements. For example, larger lists require more storage area to hold the beer and larger "ready" areas to refrigerate the beer prior to sale. Larger lists also require an existing market of sophisticated beer drinkers who understand and appreciate the differences of a large selection of beer. Lastly, liquor sales must be high enough to support the higher costs associated with a larger list.

Size is not essential to a good list, however. The trend today is actually towards smaller, carefully selected and more manageable lists. A good small list will also serve as a sound foundation to build upon as the list expands and grows at a later time.

Selection

The key to a good list is variety. Until recent years, American beer was dominated by one style of beer—light-bodied pilseners. This is unfortunate in light of the vast array of beer styles brewed around the world. Today, the selection of excellent beer is so wide that the choice can become confusing. By understanding the different kinds of beer, it becomes easier to make the right selections for the list.

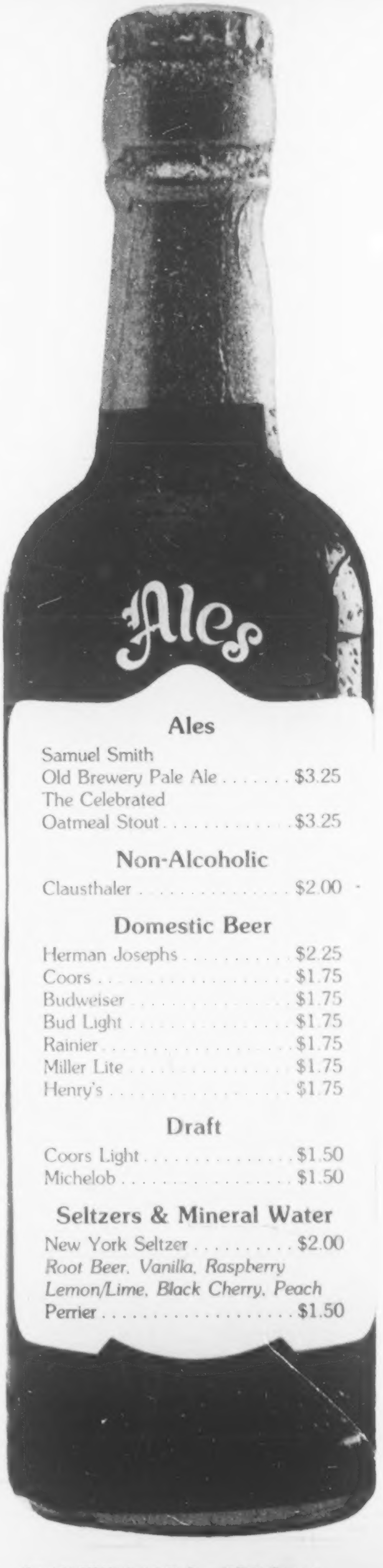
Beer can be simplified into five general categories. They are:

☐ weiss beer
☐ pilsener-style lager
☐ amber and dark lager
☐ ale
☐ stout/porter

A good list must always offer at least one beer from each of these categories. They represent a wide range of brewing styles, appeal to a broad spectrum of tastes and complement almost any type of food. As the list expands, it should branch out to include subspecialties within these categories.

Although there are a few beers singularly regarded as the finest in the world, such as Pilsener Urquell and Guiness Extra Stout, generally speaking, there is not an ideal beer list. This may make the choice more difficult, but it also permits every operator to design a list specially tailored to his or her restaurant.

Philip Kralovec is senior director of the association's Chicago office and a beer aficionado since 1970.



Ales

Samuel Smith Old Brewery Pale Ale	$3.25
The Celebrated Oatmeal Stout	$3.25

Non-Alcoholic

Clausthaler	$2.00

Domestic Beer

Herman Josephs	$2.25
Coors	$1.75
Budweiser	$1.75
Bud Light	$1.75
Rainier	$1.75
Miller Lite	$1.75
Henry's	$1.75

Draft

Coors Light	$1.50
Michelob	$1.50

Seltzers & Mineral Water

New York Seltzer *Root Beer, Vanilla, Raspberry* *Lemon/Lime, Black Cherry, Peach*	$2.00
Perrier	$1.50

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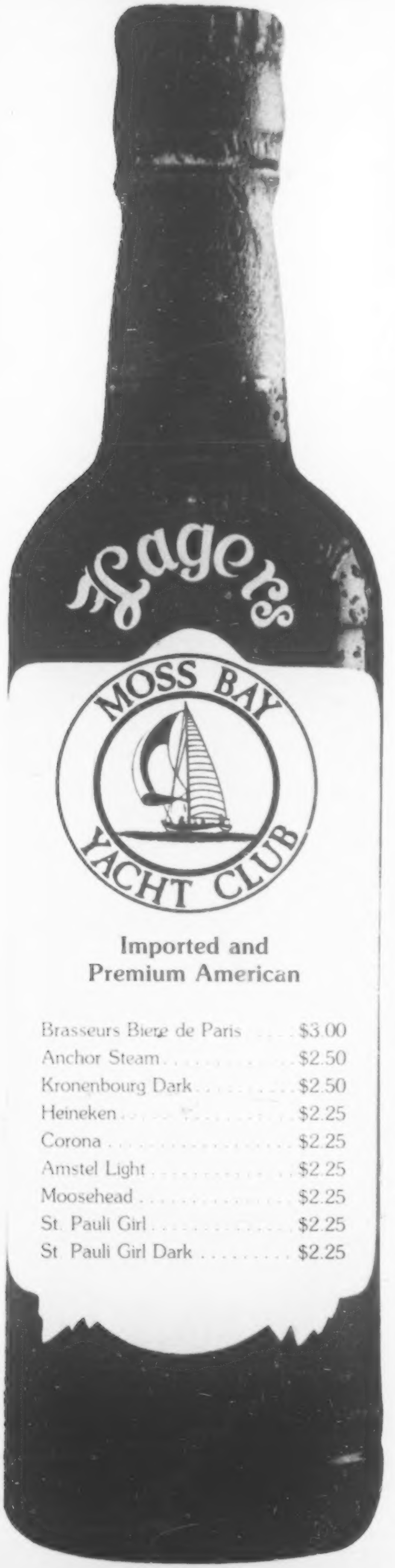
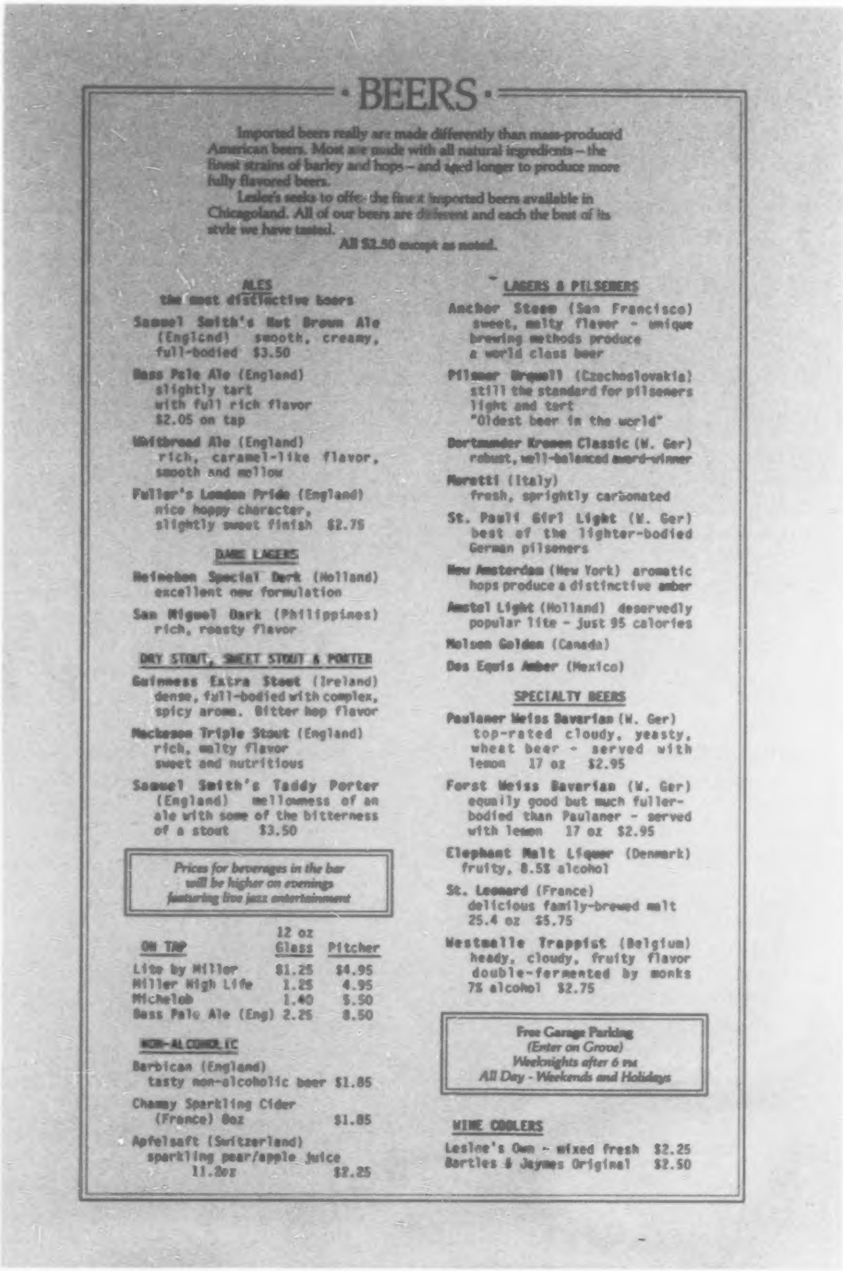


Lagers

MOSS BAY YACHT CLUB

Imported and Premium American

Brasseurs Biere de Paris	$3.00
Anchor Steam	$2.50
Kronenbourg Dark	$2.50
Heineken	$2.25
Corona	$2.25
Amstel Light	$2.25
Moosehead	$2.25
St. Pauli Girl	$2.25
St. Pauli Girl Dark	$2.25



· BEERS ·

Imported beers really are made differently than mass-produced American beers. Most are made with all natural ingredients – the finest strains of barley and hops – and aged longer to produce more fully flavored beers.

Leslee's seeks to offer the finest imported beers available in Chicagoland. All of our beers are different and each the best of its style we have tasted.

All $2.50 except as noted.

ALES
the most distinctive beers

Samuel Smith's Nut Brown Ale (Englcnd) smooth, creamy, full-bodied $3.50

Bass Pale Ale (England) slightly tart with full rich flavor $2.05 on tap

Whitbread Ale (England) rich, caramel-like flavor, smooth and mellow

Fuller's London Pride (England) nice hoppy character, slightly sweet finish $2.75

DARK LAGERS

Heineken Special Dark (Holland) excellent new formulation

San Miguel Dark (Philippines) rich, roasty flavor

DRY STOUT, SWEET STOUT & PORTER

Guinness Extra Stout (Ireland) dense, full-bodied with complex, spicy aroma. Bitter hop flavor

Mackeson Triple Stout (England) rich, malty flavor sweet and nutritious

Samuel Smith's Taddy Porter (England) mellowness of an ale with some of the bitterness of a stout $3.50

Prices for beverages in the bar will be higher on evenings featuring live jazz entertainment

ON TAP	12 oz Glass	Pitcher
Lite by Miller	$1.25	$4.95
Miller High Life	1.25	4.95
Michelob	1.40	5.50
Bass Pale Ale (Eng)	2.25	8.50

NON-ALCOHOLIC

Barbican (England) tasty non-alcoholic beer $1.85

Chamy Sparkling Cider (France) 8oz $1.85

Apfelsaft (Switzerland) sparkling pear/apple juice 11.2oz $2.25

LAGERS & PILSENERS

Anchor Steam (San Francisco) sweet, malty flavor – unique brewing methods produce a world class beer

Pilsner Urquell (Czechoslovakia) still the standard for pilseners light and tart "Oldest beer in the world"

Dortmunder Kronen Classic (W. Ger) robust, well-balanced award-winner

Moretti (Italy) fresh, sprightly carbonated

St. Pauli Girl Light (W. Ger) best of the lighter-bodied German pilseners

New Amsterdam (New York) aromatic hops produce a distinctive amber

Amstel Light (Holland) deservedly popular lite – just 95 calories

Molson Golden (Canada)

Dos Equis Amber (Mexico)

SPECIALTY BEERS

Paulaner Weiss Bavarian (W. Ger) top-rated cloudy, yeasty, wheat beer – served with lemon 17 oz $2.95

Forst Weiss Bavarian (W. Ger) equally good but much fuller-bodied than Paulaner – served with lemon 17 oz $2.95

Elephant Malt Liquor (Denmark) fruity, 8.5% alcohol

St. Leonard (France) delicious family-brewed malt 25.4 oz $5.75

Westmalle Trappist (Belgium) heady, cloudy, fruity flavor double-fermented by monks 7% alcohol $2.75

Free Garage Parking
(Enter on Grove)
Weeknights after 6 PM
All Day - Weekends and Holidays

WINE COOLERS

Leslee's Own – mixed fresh	$2.25
Bartles & Jaymes Original	$2.50

Beer lists can be as varied and as colorful as beer itself. They range from the fanciful, such as the list of the Moss Bay Yacht Club which was diecut into the shape of two bottles, to the tastefully simple list of Leslee's and nearly everything in between.

A good way to start evaluating fine beers for a beer list is to study recommendations from reliable sources. Published beer guides are one excellent starting place. (See accompanying sidebar for a list of some lesser-known beers that the author recommends.)

Once you have researched the topic, select several beers in each of the five categories for a taste comparison. A mere three ounces is all it takes to capably evaluate and compare beer. A six-pack of each from a local package store should provide more than a sufficient quantity. Involve staff in the tastings as well; the tastings are fun, they're morale-boosting and they generate interest and excitement in the beer list. Many restaurants sample each beer with various selections from their menu. These "double-tastings" help identify which beers complement which dishes, and

Some lesser-known beers to consider

Here is a partial list of excellent lesser-known beers to consider, based on the author's extensive research and tasting. The author carefully selected these as a representative sampling in each of the five main categories. Regrettably, not all beers worthy of consideration are included nor are all beers available in all areas of the country. Use this guide as a starting point in your own beer discovery.

Weiss beer. This class of beer is made from wheat. Generally speaking, these beers are pale colored or white (hence, their name in German). This is a perfect summer drink that has a delicate, tart and spicy flavor. It is also made in a dunkel or dark style which has a malty quality. Included in this grouping is another style of beer also made from wheat—kriek beer—which is brewed with cherries. All of these beers are best served gently chilled (45°-50°).

*Domestics**
Anchor Wheat Beer
August Schell Weiss
Edelweiss

Hibernia Dunkelweizen

*Imports**
Ayinger Export Weiss (Germany)
Berliner Schultheiss Weisse (Germany)

Hofbrauhaus Dunkelweizen (Germany)

Hoegarden White (Belgium)

Lindemans Kriek (Belgium)

Pilsener style lager. This is the original bottom fermented and lagered style of beer. Most American beers are made in this style. They are pale yellow or golden colored with a pleasant hop bitterness. These beers are best served gently chilled (45°-50°).

*Domestics**
August Schell Pilsener
Saranac 1888 All Malt Lager
Samuel Adams Boston Lager
Henry Weinhards Private Reserve
Pennsylvania Pilsener

*Imports**
Pilsner Urquell (Czechoslavakia)
Bitburger Pils (Germany),
Maes Pils (Belgium)
Pacifico Clara (Mexico)

Amber and dark lagers. This is a diverse grouping of beers which includes the following distinct styles: Vienna, Munchener, Marzen/Oktoberfest, Bock, Doppelbock and Rauchbier (smoked beer). They all are brewed with a bottom fermenting yeast and lagered or stored for varying periods. The use of roasted malt gives these beers a malty flavor and their darker color. An excellent American hybrid, Anchor Steam, has also been added to this section although technically it deserves its own classification. These beers should be served at cellar temperatures (55°-65°) or at room temperature.

*Domestics**
Ambier Vienna Style
Olde Heurich Amber Lager
New Amsterdam Amber
Rhomberg All Malt
Christian Morlein
Portland Lager

Hibernia Octoberfest

Kessler Bock
Chesbay Double Bock

Anchor Steam Beer

*Imports**
Gosser Export (Austria)
Dos Equis Amber (Mexico)

Spaten Ur-Marzen (Germany)

Aass Bokk (Norway)
Augustiner Maximator (Germany)
Ayinger Celebrator (Germany)
Paulaner Salvator (Germany)

Kaiserdom Rauchbier (Germany)

Ale. This is a diverse family of beers which is brewed with top-fermenting yeast. They have a malty and fruity flavor. They are brewed in a variety of colors and strengths from the pale ales to the very potent barley wine styles. Also included in this section are several selections of trappiste ale which rightfully is a style of its own. All these beers should be served at cellar temperature (55°-65°) or at room temperature.

*Domestics**
Anchor Liberty Ale
Boulder Pale Ale
Sierra Nevada Pale Ale
Great Lakes Amber Ale
Geary's Pale Ale
Portland Ale

Sierra Nevada Big Foot Barley Wine
Old Foghorn Barley Wine

*Imports**
Youngs Export Special London Ale (England)
Samuel Smith's Nut Brown Ale (England)
Cooper Ale (Australia)
Thomas Hardy's Ale (England)

MacAndrews Scotch Ale (Scotland)

Chimay Trappiste Ale (Belgium)
Orval Trappiste Ale (Belgium)

Stouts and porters. The use of heavily roasted malt imparts the deep color and full body to this family of top-fermented beers. These beers are best served at room temperature.

*Domestics**
Anchor Porter
Yuengling Porter
Great Northern Porter

Sierra Nevada Stout
Grants Russian Imperial Stout
Boulder Stout

*Imports**
Guiness Extra Stout (Ireland)
Murphys Irish Stout (Ireland)
Mackesons Triple Stout (England)
Samuel Smith's Imperial Stout (England)
Cooper's Extra Stout (Australia)

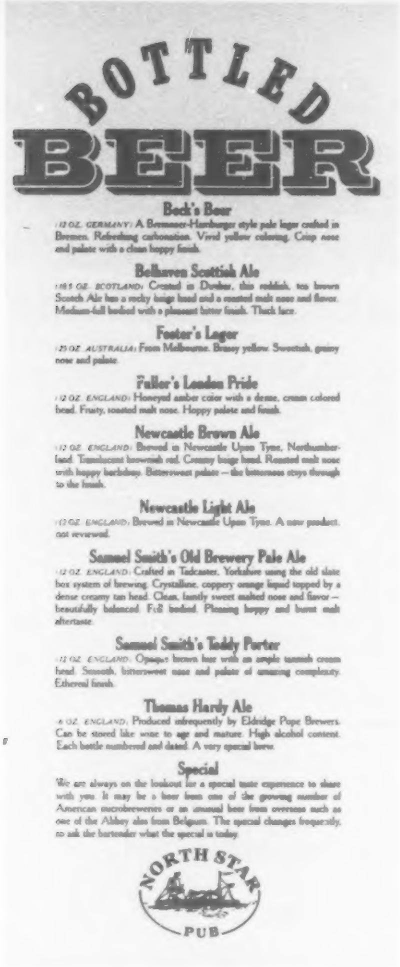
A few words on the proper storage, handling and serving of beer. Beer should be stored away from heat and light, and the stock should be rotated religiously as beer does not age. The proper serving temperatures of each style are suggested, although most Americans prefer beer chilled more than these recommended temperatures. This is fine as long as both options are made available. A freestanding grocery cooler is a relatively inexpensive way of both readying the beer prior to sale while also showcasing the interesting and colorful beers offered.

**Similar-style beers are grouped together.*

this information will help servers sell the products.

In selecting beers to taste-test make certain to include as many of the fine domestic microbrewery offerings as possible. Besides being excellent beers—many as good or better than some imports—support of these products helps the fledgling microbrewery industry and appeals to the "buy-American" spirit in the country. These beers have a reverse snob-appeal and should be considered especially in areas where the customer may be import-resistant. That customer will be more likely to taste different beers if they are locally made. Furthermore, these beers are the perfect complement to the au courant American cuisine.

Finding good distributors who



BOTTLED BEER

Beck's Beer
(12 OZ. GERMANY) A Bremener-Hamburger style pale lager crafted in Bremen. Refreshing carbonation. Vivid yellow coloring. Crisp nose and palate with a clean hoppy finish.

Belhaven Scottish Ale
(10.5 OZ. SCOTLAND) Created in Dunbar, this reddish, tea brown Scotch Ale has a rocky beige head and a roasted malt nose and flavor. Medium-full bodied with a pleasant bitter finish. Thick lace.

Foster's Lager
(25 OZ. AUSTRALIA) From Melbourne. Brassy yellow. Sweetish, grainy nose and palate.

Fuller's London Pride
(12 OZ. ENGLAND) Honeyed amber color with a dense, cream colored head. Fruity, roasted malt nose. Hoppy palate and finish.

Newcastle Brown Ale
(12 OZ. ENGLAND) Brewed in Newcastle Upon Tyne, Northumberland. Translucent brownish red. Creamy beige head. Roasted malt nose with hoppy backdrop. Bittersweet palate — the bitterness stays through to the finish.

Newcastle Light Ale
(12 OZ. ENGLAND) Brewed in Newcastle Upon Tyne. A new product, not reviewed.

Samuel Smith's Old Brewery Pale Ale
(12 OZ. ENGLAND) Crafted in Tadcaster, Yorkshire using the old slate box system of brewing. Crystalline, coppery orange liquid topped by a dense creamy tan head. Clean, faintly sweet malted nose and flavor — beautifully balanced. Full bodied. Pleasing hoppy and burnt malt aftertaste.

Samuel Smith's Taddy Porter
(12 OZ. ENGLAND) Opaque brown hue with an ample tannish cream head. Smooth, bittersweet nose and palate of amazing complexity. Ethereal finish.

Thomas Hardy Ale
(6 OZ. ENGLAND) Produced infrequently by Eldridge Pope Brewers. Can be stored like wine to age and mature. High alcohol content. Each bottle numbered and dated. A very special brew.

Special
We are always on the lookout for a special taste experience to share with you. It may be a beer from one of the growing number of American microbreweries or an unusual beer from overseas such as one of the Abbey ales from Belgium. The special changes frequently, so ask the bartender what the special is today.

carry these beers is likely to be the biggest problem encountered. Regrettably, not all beers are marketed or carried by distributors in all areas. Fortunately, the selection of good beer, both imported and domestic, is so great these days that every area of the country should have a source of several beers to choose from in each of these categories.

What are the qualities to look for in a good beer? Each beer has its own characteristics. These will become apparent after one becomes familiar with the tastes of each different style. All beer consists of malted barley, hops, yeast and water. The barley gives beer its malty sweet quality. A flowery aroma and a pleasant bitterness is derived from the hops. And yeasts impart a fruity taste and smell. By and large, a bad beer has a sour or skunky taste. This is caused by oxidation brought about by light, heat and age. Other characteristics to look for in beer are the fullness of its body, alcohol content and the size of head it takes upon pouring. These characteristics are not necessarily indicative of good or bad beer, however; the taste is really the only way to tell.

Merchandising

A beer list is basically a menu designed to increase beer sales. As with any menu item, it must be supported by good merchandising. If it isn't, the very best beer list will become little more than a large stock of stale beer. Many restaurants do very exciting things with fancy, specially designed and laminated menus. Beer distributors too can be of help by providing various sales support items, such as posters, coasters, glassware and the like.

Quite honestly, there is no better way of conveying the beer list to the customer than the simple, inexpensive table tent or menu card which is merely typed and copied and properly presented by the staff. The menu card should list the beers in the order of their body. The lightest weiss beers should be mentioned first, followed by the pilseners on down to the heaviest stouts. The more information provided about each beer, the better. This would include country of origin, style of beer, brief description of appearance, taste and body and perhaps a suggested food complement. Lists of this kind are not expensive and should be distributed liberally on every table, clipped in the menu and wine list and made available in the bar area. The type of list used isn't as important as the fact that there is a printed list available. Too many restaurants rely on the server staff to recite their beers. This is as pointless and confusing as it would be if the server staff were required to memorize and recite an extensive wine list. Lists also make it easier to order for people who might have trouble with the pronunciation of some of the imports.

Another advantage to the menu card or table tent format is that it can be inexpensively and easily revised to adapt to seasonal changes and to take advantage of seasonal specialties and the countless events, holidays and other promotional opportunities that beer presents. Even though all beers can be enjoyed in all seasons, for every season there is a beer that is especially appropriate. Lists should be weighted towards the lighter, thirst-quenching beers in the summer months and, conversely, the hearty, warming ales and stouts during the colder months. Here's some ideas on how beer can be merchandised all year long.

Spring. Traditionally, spring is bock beer time—the first beer brewed of the year. In Germany, Maibocks are enjoyed in a traditional spring celebration at the beginning of May. America, too, has long brewed bock beers. Other spring promotional opportunities include celebrating Irish beers on St. Patrick's Day and Mexican beers on Cinco de Mayo. Similar celebrations can be fashioned around other countries' beers as well: England, Canada, Australia, Japan and the newly arrived, distinctive beers of Belgium.

Summer. There is nothing quite as refreshing in the hot summer months as a crisp weiss beer. These beers are commonly dressed with a lemon slice or splashed with various flavorings, such as raspberry syrup. Besides being tasty, these beers make for an exciting presentation and are a pleasant alternative to wine coolers. Moreover, the 4th of July is the perfect time to celebrate the new American microbrewed beers.

Fall. Octoberfest used to be a festival in which Germans exhausted the last of the year's beer supply laid down in the spring (Marzen or March beer). Today this festival has endured as the ultimate beer festival. It is the perfect opportunity to promote beer with German dishes or American harvest fare.

Winter. Christmas ales are special holiday beers available only at this time of the year. In Switzerland there's even a Santa Claus beer (Samichlaus). America has its own tradition of holiday beer. Most notably, since 1975 Anchor has brewed a different Christmas Ale each year. The 1987 version was a delicious spiced wassail. Also Sierra Nevada offers its Celebration Ale and Coors introduced Winterfest in 1987. Other hearty beers, such as potent barley wines, doppel bocks (meaning double strong) and trappiste ales, are great winter warmers as well.

In sum

Designing a good list need not be a difficult or involved process. It is an undertaking that can be introduced with little cost or trouble. ❑

FISHER'S LAW

#89

Waist management

One aspect of managerial life that has not received the emphasis it deserves is "waist management," which becomes particularly important as managers get older. Here are several rules for waist management that I heartily (or at least organically) recommend to you.

1. Eat things that have a fruit content. Examples are pineapple-upside-down cake, bananas Foster, cherries jubilee, apple fritters and peaches flambe.

2. Also eat things that have a vegetable content. Examples are carrot cake, zucchini bread, potato pancakes and rhubarb pie.

3. Recognize that foods that are the same color contain the same number of calories, such as spinach and green creme de menthe, cauliflower and white cake with white frosting, and Harvard beets and cinnamon candy.

4. Associate with heavy-set people; they will make you look thinner.

5. Drink all the beer you want, but pour it out of the can or bottle so the calories can escape during the container transfer.

6. Visit a glazier and purchase some fun house mirrors that make you look as thin as a ribbon.

7. Drink all the beer you want, but consume it in its foam form. Foam is mostly air, anyway, and that can't hurt you.

8. Eat frozen food in its frozen form, such as peas, corn and hamburger. If you allow the food to thaw, it will expand, and you don't want to eat expanding food.

9. Drink all the wine you want, but do it while eating cheese and crackers so the calories in the wine can be absorbed by the cheese and crackers.

10. If you have a sweet tooth, go ahead and add sugar, but also add a sugar substitute. The substitute will neutralize the calories in the sugar.

11. When eating hot food, let it get cold. The vapors from the food dissipate the calories into the air.

12. Eat heavily before you go to bed at night. That way you won't be hungry when you wake up.

13. Combine foods that normally don't go together; that way you won't eat that much of them. Examples are chocolate covered shrimp, oysters spread with strawberry jam and steak with marshmallow topping.

14. Eat food that you just can't stand. If you don't like it, it must be good for you.

15. Don't exercise. That makes you hungry, and you'll eat more, which you don't want to do.

16. Foods that have the name of a city or state associated with them are OK to eat because there are a lot of thin people in those areas. Examples are Boston cream pie, baked Alaska and Virginia ham.

17. Eat heavily when you get up in the morning. This will carry you through the day, and you won't eat much later.

18. Drink all the distilled spirits you want, but sip, don't gulp. By sipping, you'll be ingesting air, and air doesn't have any calories.

19. Eat all the bagels and English muffins you want, but break them up into little pieces so the calories can escape in the process.

20. When attending a party or reception, eat all the snacks and hors d'oeuvres you can so you won't be hungry for dinner.

21. If you are eating for medicinal purposes ("Feed a cold . . . "), you can eat as much of anything you want because the illness will cancel out the calorie intake.

22. Food eaten at a sporting event, such as buttered popcorn and ice cream, doesn't count because your metabolism runs faster. That is particularly true if your team is losing.

23. Eat foods that are blackened. It's fashionable, and the spices burn out the calories. Examples are blackened steak tartare, blackened scrambled eggs, blackened chef's salad, etc.

24. Prepare food well done. It shrinks that way, which means you'll be eating less. Burnt food is best because there is no excess.

25. It's OK to eat anything that's whipped or beaten because it's mostly air. Examples are whipped cream, souffles and mousses.

26. Eat a large meal at midday. This will balance the calories ingested in the morning with those eaten in the afternoon.

27. It's OK to eat things that come in small sizes because they can't possibly contain many calories. Examples are macadamia nuts, Tootsie Rolls, etc.

28. Don't try to diet. You'll get hungry, and then you'll overdo it when you do eat.

29. Eat all the Asian food you want, but use only one chopstick.

30. When preparing boiled foods, boil them three or four times before eating so the calories will seep out into the water.

31. Eat foods with fiber. I recommend pickled watermelon rind, shredded orange peel and slivered lemon peel (sometimes called a "twist").

32. It's all right to eat big desserts after a big meal as long as you use a sugar substitute in your coffee or tea to balance out the calories in the dessert.

33. You can cut down on some foods without even noticing their absence. For example, you can have a hot dog roll, mustard, ketchup and relish, and you'll hardly miss the hot dog.

34. Balance your diet among the four basic food groups, and combine food groups in one item whenever possible. For example, "eggplant" combines the dairy group (eggs) with the fruit and vegetable group (plant).

35. Buy all the diet books you can. That will lighten your wallet (or purse), which will make you lighter when you get on the scales.

Fisher's Law #89. *When you think you have lost 10 pounds, look behind you. You'll probably find them.*

Franchise sector remains strong but faces changes

In 1986 the restaurant franchise industry experienced strong, stable growth, both in sales and units, but trends show that competition is increasing. This competitive environment will dictate the pace of change affecting the industry over the next several years.

The franchise industry continues to show strong, steady growth, according to the U.S. Department of Commerce's survey, *Franchising in the Economy 1986-1988.** Competition is intensifying, however. Several trends signal a period of adjustment and change as franchise restaurants adapt to meet growing competition. Heightened competition has ushered in such developments as: leveling growth, merger and acquisition activity, increased advertising and promotions spending, unit expansion into new geographic regions, market segmentation and specialization, and product and service innovation and diversification.

Sales up, outpace unit growth

Franchise restaurant sales approached $52.3 billion in 1986, a 9.6 percent increase over 1985's level. Sales at company-owned units expanded 9.0 percent in 1986, slightly less than the 10 percent expansion rate recorded at franchisee-owned restaurants. Total sales growth in 1986 outpaced overall unit expansion. In 1986, the total number of restaurant franchise units increased by 5.8 percent. A tightening restaurant franchise market par-

Highlights

☐ The franchise restaurant industry continued to expand in 1986. Sales reached $52.3 billion, and the number of franchise units grew to 78,203. Total number of operating franchise firms shot up from 470 to 488. Projections through 1988 show continued expansion, with total sales and number of units predicted to reach $63.2 billion and 90,789, respectively.

☐ The segment of the franchise market comprised of firms operating 10 franchise units or less added the most new firms and had the highest unit growth rate.

☐ Pizza and Mexican franchise restaurants performed well in 1986; each recorded a 20.4 percent sales increase from 1985. Sandwich franchises experienced the strongest unit growth in 1986—up 15.3 percent. Through 1988, sandwich franchises are expected to outperform the rest of the market in sales and unit growth.

☐ Franchise employment leveled off at 2.46 million in 1986, a 0.5 percent rise from 1985's level. The number of employees at franchisee-owned units rose 2.3 percent while declining 2.8 percent at company-owned outlets.

☐ Franchise restaurant firms continue to focus on new markets. Within the United States, the largest unit increase in 1986 was in Rhode Island (40.1 percent), followed by Alaska (22.1 percent), New Hampshire (20.3 percent), Delaware (19.7 percent), New Mexico (17.6 percent) and Maryland (15.9 percent).

☐ The number of restaurant franchise firms operating in the international market climbed from 61 to 65 in 1986. Overall international units increased 10.6 percent to 6,769. Canada and Japan remained the most likely countries for restaurant franchise investments. Among other nations and regions, Continental Europe, Australia and New Zealand led the way in rate of unit expansion.

Projected franchise restaurant sales and unit growth for 1987 and 1988

Sandwich sales are expected to show the biggest gain this year

	Percent change*			
	Number of units		**Sales**	
Restaurant type	**1987**	**1988**	**1987**	**1988**
Hamburger	4.8%	6.3%	8.3%	10.1%
Pizza	9.3	12.2	8.9	12.6
Chicken	4.7	5.3	10.2	12.9
Mexican	6.2	8.2	6.6	8.6
Seafood	6.6	8.7	8.5	14.2
Steak/full menu	4.3	8.6	8.5	11.1
Pancakes	5.0	7.7	8.7	11.0
Sandwich/other	23.5	28.8	23.0	31.0
Total	**6.6%**	**9.0%**	**8.7%**	**11.2%**

** Percent change is over prior year and is based on figures estimated by survey respondents.*

Source: *Franchising in the Economy, 1986-88*, U.S. Department of Commerce, 1988

**Sales and unit figures for 1986 and projections for 1987 and 1988 reported here are representative only of these 488 franchise restaurant firms and do not include any newly established firms that may have begun franchising in 1986 or any firms that have since gone out of business or abandoned the franchise system.*

The survey, the only one of its kind in the United States, was completed by 2,177 franchisors which represent 99 percent of total franchise sales and establishments. The results were compiled by Andrew Kostecka, Finance and Management Industries Division, Office of Service Industries.

Franchise restaurant sales and units

More than 90,000 franchise restaurants with sales topping $63 billion are expected to be in operation by the end of 1988

	Total sales (billions)			Number of units		
	Company-owned	Franchisee-owned	Total	Company-owned	Franchisee-owned	Total
1976	$ 4.6	$10.0	$14.6	12,562	34,336	46,898
1981	10.8	19.3	30.0	19,355	42,491	61,846
1986	18.8	33.5	52.3	24,364	53,839	78,203
1987*	20.0	36.8	56.8	25,398	57,933	83,331
1988*	21.9	41.3	63.2	27,027	63,762	90,789

* Figures are estimated by survey respondents

Source: *Franchising in the Economy, 1986-88*, U.S. Department of Commerce, 1988

tially explains the discrepancy between revenue and unit growth. Rather than exploit potential market opportunities through unit expansion, restaurant franchisors and franchisees are focusing their efforts on bolstering sales at existing outlets. Such a focus requires heavy advertising and promotional spending, a trend that has become especially prevalent in the last several years. Increased advertising and promotion spending should continue to characterize the franchise industry.

Mid-size firms feel squeeze

The total number of restaurant franchise firms rose from 470 to 488 in 1986. Twenty-four firms entered the smallest end of the market (firms with 10 units or less). This increase could be attributed to small business operators foreseeing opportunities in penetrating a narrowly defined niche in the restaurant franchise market. Small franchise firms can offer specialty food tailored to a specific regional market. Overall, franchise units in the smallest firm grouping climbed to 876, an 18.4 percent rise.

The largest restaurant franchise firm grouping (those with 1,001 units or more) also expanded. One firm was added to the list, bringing the total number of firms operating 1,001 units or more to 14. These companies increased their unit holdings to 44,568 in 1986, a 10.6 percent gain from 1985. Sales were up 13.2 percent in 1986, and large restaurant franchise firms, (1,001 units+) market share grew to 62 percent—an all-time high. Heavy merger and acquisition activity during 1986 partially explains the rise in units held by the big firms. In their fight for market share, large companies viewed consolidation and acquisition as a means to increase their competitive advantage.

The group with the second-largest firms (those having 501-1,000 units) performed similarly in 1986, increasing in number of firms by one and number of units by 655 while keeping market share at 15.3 percent. However, restaurant franchises in the next three groupings (those holding 151-500, 51-150 and 11-50 units) had a more difficult time between 1984 and 1986. Revenues leveled off and their market share and total number of units dipped in response to thinning profit margins from heightened competition. Without the advantage of economies of scale of the large firms and the flexibility of small firms to quickly fill market niches through specialization, mid-size restaurant franchises are feeling the traditional squeeze and shakeout that confronts mid-size companies in a maturing market.

Pizza and Mexican franchises were on top

Pizza and Mexican restaurant franchises recorded the largest increase in sales and number of units. In 1986 pizza and Mexican franchise sales leaped 20.4 percent. Sandwich and seafood franchise restaurants also performed well in 1986, registering sales increases of 14.2 percent and 12.4 percent, respectively. Growth was slower for chicken, steak, hamburger and pancake franchises.

Predictions for the restaurant franchise industry for 1987 and 1988 include the following: Sales for Mexican and pizza restaurant franchises should grow, although at a reduced rate; sales for seafood and chicken should continue to grow as consumers seek alternatives to red meat consumption. The hamburger market, the most saturated market, should exhibit stable, single-digit growth. Similar expansion is expected for steak and pancake restaurant franchises.

Rapid growth is projected for the sandwich sector as the few companies in this segment become more heavily engaged in franchising through the sale of company-owned units to franchisees. In 1986 the number of company-owned units in the sandwich sector fell 41.2 percent. Franchisee-owned units rose 27.8 percent.

Donut and ice cream/yogurt franchises up

In reviewing the restaurant franchise market, a thorough analysis must include donut shops and ice cream/yogurt stores. Both groups have had vigorous surges in sales and number of units over the last three years. For donut shops, however, 1986 was a year of slacken-

Franchise restaurant employment

More than 2.4 million individuals were employed at franchise restaurants in 1986

Year	Total	Company-owned	Franchisee-owned
1976	1,064,618	338,778	728,840
1981	1,664,170	580,650	1,083,520
1984	2,182,143	864,118	1,318,025
1985	2,441,947	872,239	1,569,708
1986	2,453,621	847,760	1,605,861

Source: *Franchising in the Economy, 1986-88*, U.S. Department of Commerce, 1988 ing development. Sales rose 11.9 percent, compared to a 41.5 percent hike the year before. The number of units actually declined 0.7 percent to 3,510 after an impressive jump in 1985. Sales are expected to remain strong in the 8 to 14 percent range during 1987 and 1988. In fueling America's craving for frozen yogurt and ice cream, stores selling these products excelled in 1986, posting sales and unit increases of 17.6 percent and 9.0 percent, respectively. Double-digit growth is envisioned for this market through 1988.

Changes in franchise ownership

In 1986, more franchise units changed hands than ever before

The number of units:	**1976**	**1981**	**1985**	**1986**
Repurchased for company ownership	280	489	322	429
Converted to franchisee ownership	413	426	622	866
Establishments discontinued:				
Company-owned	221	401	537	601
Franchisee-owned	981	1,454	1,622	1,435
Total	**1,895**	**2,770**	**3,103**	**3,331**

Source: *Franchising in the Economy, 1986-88*, U.S. Department of Commerce, 1988

Competition forces changes in franchise ownership

The 1986 statistics on restaurant franchise ownership, finances and employment highlight the effects of increasing competition within the industry. In 1986, 1,464 restaurant franchise agreements were eligible for renewal, and 1,303 were renewed—an 89 percent renewal rate. Terminations were up 24.4 percent, the largest annual rise in the last seven years. Of these terminations, 765 agreements were ended by the franchisor in 1986, compared to 625 by the franchisee. Almost half of the agreements terminated by the franchisor came to a halt because of the franchisee's inability to make the required royalty payments to the franchisor. The 375 failures represent a 63.7 percent increase over 1985's number. It is the highest number of restaurant franchisee defaults since the recession year of 1981. Thirty-five agreements were stopped due to the franchisee's violation of quality controls, a drop from 70 in 1985.

A climb in the number of ownership changes occurred in 1986. Franchisors repurchased 429 units for company ownership and converted 866 units to franchisee ownerships. (Of the establishments discontinued, 601 were company-owned and 1,435 were franchisee-owned.) Even while accounting for the fact that the restaurant franchise industry is bigger today than ever before, these figures reflect a record amount of franchises changing hands. In total, 3,331 units changed ownership—up 7.3 percent from 1985 and up 66.8 percent from 1984. The trend over the last four years has been away from company ownership toward franchisee ownership. Several factors help explain this tendency.

Facing a tightening market and stepped-up competition, companies are trying to spread risk through the increased sale of existing units, thus allowing franchisees to bear a greater burden of the risk. Companies are also giving franchisees greater latitude in altering the franchising system to fit the demands of the local market. Companies and franchisees have established more franchise advisory councils to mediate disputes between them. Such councils also act as a forum in which franchisees may suggest new ideas that will improve the efficiency of the franchising system.

Franchisees are also utilizing the local media more for promotion and advertising rather than relying solely on national advertising paid for by the franchisor.

The Department of Commerce's report includes a survey of the total cash and investment required to start up a franchise. In 1986, 321 of the 488 restaurant franchise firms responded to the survey. In 1986, the median figure for total investment was $250,000. The median amount of startup cash was $75,000. For company-owned units, median total investment was $325,000. These figures have been relatively stable over the last five years, suggesting that despite the growing popularity of restaurant franchising, cash and investment requirements for going into business have not changed much. Among minority restaurant franchisees, blacks have fared particularly well, as the number of black-owned units has more than doubled since 1981.

Slackening restaurant franchise employment

Franchise restaurant employment nudged upwards only 0.5 percent in 1986. This was after double-digit employment growth in 1984 and 1985 and high single-digit growth the previous five years. Company-owned employment in 1986 actually declined 2.8 percent to 847,760. This drop in employment can be accounted for by the consolidation of some of the larger franchises. Several big chains restructured in 1986 and slashed costs by laying off workers.

Franchisee-owned restaurant employment gained 2.3 percent in 1986 while franchisee-owned unit growth topped 7 percent. The small gain in employment relative to the larger gain in number of franchisee-owned units could be attributable to franchisees having to cut costs through employee layoffs in order to keep prices low enough to retain market share against beefed-up competition.

Remote domestic markets explored for expansion

The Middle Atlantic region replaced the West South Central region as the unit growth leader in 1986; its number of restaurant franchise units jumped 9.1 percent. The heavily industrialized and populated East North Central region retained its leadership position of holding the most restaurant franchise units with 19.2 percent. California, Texas, Ohio and Florida continue to house about a third of all restaurant franchise units located in the United States. Rhode Island (40.1 percent), Alaska (22.1 percent), New Hampshire (20.3 percent), Delaware (19.1 percent), New Mexico (17.6 percent) and Maryland (15.9 percent) led the states in unit percentage increases. The above states, especially New Hampshire, Alaska and New Mexico, are among the United States' more geographically remote and less population-intensive states. In the search for new markets and less competition, restaurant franchises have expanded to states previously thought unattractive due to their lower-income base, geographic isolation and dispersed population. A review of 1985 data also supports this assertion; North Dakota, Arkansas and South Carolina were among the leading states in unit growth for that year.

Franchise restaurant distribution by company size

Both large and small firms added units in 1986, but the largest gains were made by the biggest firms

Number of units in company	1976	1981	1985	1986
1,001+	21,303	31,921	40,296	44,568
501-1,000	10,367	8,582	11,331	11,986
151-500	7,064	11,993	10,925	10,264
51-150	4,956	4,366	5,830	5,902
11-50	2,711	4,310	4,770	4,607
1-10	497	674	740	876
Total	**46,898**	**61,846**	**73,892**	**78,203**

Source: *Franchising in the Economy, 1986-88*, U.S. Department of Commerce, 1988

More activity in the international market

Care must be exercised when making predictions or analyzing patterns in the international franchise market because it is a relatively new market that can be affected by the actions of just one chain. Also, currency fluctuations tend to determine level of foreign investment and expansion. In 1986, however, the international market offered opportunities for restaurant franchises. That year, 65 U.S. restaurant franchise firms operated international units—up from 61 in 1985. There were 6,769 units in 1986, a 10.6 percent increase over the previous year. The jump in number of restaurant firms and units operating in the international marketplace can be partially justified by the relative strength of the dollar against foreign currencies for 1985 and much of 1986. With a stronger dollar, franchise startup and expansion costs are less expensive abroad, inducing franchise owners to expand in the overseas market rather than in the domestic market.

Three steak/full menu and three pizza franchise firms set up international operations in 1986. Among restaurant types, pizza and sandwich units underwent spectacular growth. The number of sandwich units quintupled. Pizza franchises added 285 units, a 49.3 percent increase from 1985. Chicken, hamburger and steak/full menu restaurant franchises also performed well, with unit expansion averaging in the high single digits. Pancake, Mexican and seafood units, all together accounting for only a small percentage of the total international franchise market, remained fixed in number during 1986.

By region, Canada continued to sustain the largest expansion of U.S. restaurant franchise units in 1986, up 21.2 percent. This fact is not surprising given Canada's geographic proximity and cultural similarity to the United States. Japan and Continental Europe witnessed a slightly lesser rate of expansion. Restaurant unit growth rose significantly in New Zealand and Australia, as franchise firms began to realize the potential of these two markets. The Latin American, Caribbean, African and Southeast Asian markets have yet to flourish. The markets of the newly industrialized countries of the Far East, however, should offer potential U.S. restaurant franchise development in the near future. Personal disposable income in these countries has rocketed in the last several years, and the U.S. government has been pressuring these countries to open their markets to the U.S. investors.

As competition in the U.S. domestic restaurant franchise market continues to grow, restaurant franchise operators are likely to intensify their focus on the international market.

—Sebastian O'Kelly

Editor's note: Data for this article was obtained from Andrew Kostecka, U.S. Department of Commerce.

For the complete report

The National Restaurant Association has prepared an in-depth report on the franchise restaurant system based on data from the U.S. Department of Commerce survey. This publication entitled *Franchise Restaurants: A Statistical Appendix to Foodservice Trends*, contains detailed information for the period 1969 to 1988.

The cost to National Restaurant Association members is $15.00 (plus $2.00 shipping and handling). The cost to nonmembers is $30.00 (plus $3.00 shipping and handling). Residents of Washington, DC, must add eight percent sales tax. Illinois residents must add seven percent. Chicago residents must add an additional one percent sales tax, bringing their sales tax total to eight percent.

To order, contact the National Restaurant Association, 1200 Seventeenth St., N.W., Washington, DC 20036 or call 1 (800) 424-5156 or (202) 331-5900. Payment must accompany all orders. Credit card orders are accepted. *Please specify number CS207 when ordering.*

Annual CREST report shows solid growth in 1987

After two consecutive years of modest growth in industry traffic, customer counts rose a healthy 3.5 percent in 1987. Sales advanced as well, increasing 5.6 percent over their 1986 level. Gains, however, were not even throughout the industry. Off-premises quickservice traffic accounted for more than three-quarters of total traffic growth between 1986 and 1987.

Consumer demand for convenience appears to be the driving force behind industry expansion. Quickservice restaurants, well-positioned to take advantage of this trend, led all segments in sales and traffic growth.

1987 highlights by segment and meal period

Quickservice restaurants led a year of strong sales and traffic growth

	Sales	Traffic	Average check size	Number of households reached
Total restaurants	5.6%	3.5%	2.0%	1.6%
Quickservice	9.4	5.5	3.6	2.2
Midscale	2.2	−0.8	2.9	1.7
Upscale	2.5	0.4	2.2	0.2
• Moderate-check	3.8	1.5	2.2	0.7
• Higher-check	0.5	−3.1	3.7	−1.5
Breakfast	2.5	nc	2.2	2.1
Lunch	5.9	3.8	2.2	1.4
Dinner	6.3	5.5	0.7	2.8

Note: Figures represent percent change over 1986.
nc = no change

Source: NPD CREST, *Household Report*, 1987

Traffic highlights

□ The quickservice segment led the industry with traffic growth of 5.5 percent in 1987, posting the largest increase in five years. The growth was fueled by pizza restaurants, hamburger and sandwich places, ice cream shops and retail operations.

□ Traffic declined at midscale restaurants and rose only slightly at upscale eateries. The decline at midscale establishments, however, was less severe than in 1986 when customer counts dropped 3.8 percent.

□ In 1987 dinner again led all meal periods in traffic growth with a 5.5 percent increase. Customer counts at lunch also rose by 3.8 percent, and breakfast traffic remained unchanged from its 1986 level. All three dayparts improved their performances in 1987.

□ For the third consecutive year, off-premises traffic was responsible for the majority of total traffic growth. In 1987 off-premises dining jumped 6.9 percent, compared to a 1.0 percent rise for on-premises traffic. Off-premises counts advanced in each restaurant segment with upscale establishments leading the way with a 13.1 percent gain. Quickservice and midscale operations each experienced increases in off-premises dining of 7.0 percent.

□ On-premises traffic advanced only at quickservice operations. On-premises dining fell by 1.9 percent at midscale restaurants and by 0.4 percent at upscale establishments.

□ Growth in off-premises traffic occurred in all meal periods: 11.8 percent at dinner, 7.0 percent at lunch and 0.6 percent at breakfast. On-premises traffic fell during the breakfast daypart and rose slightly at dinner. The noon meal experienced modest growth of 2.0 percent.

□ The number of households in which at least one member dined out at least once during an average two-week period edged up 1.6 percent in 1987. Growth in penetration was highest at quickservice and midscale establishments.

Annual growth in industry traffic

Off-premises traffic continues to fuel total industry growth

	Total	On-premises	Off-premises
1983	2.7%	3.4%	1.7%
1984	4.0	3.3	5.0
1985	1.0	−1.3	4.7
1986	2.1	−1.2	6.9
1987	3.5	1.0	6.9

Note: Percent change is over the prior year.

Source: NPD CREST, *Household Reports*, 1982-1987

Sales highlights

□ Sales advanced strongly at quickservice restaurants in 1987, jumping more than 9 percent. This was an improvement over the 7.4 percent rise recorded in 1986. Midscale and upscale restaurant sales increased by 2.2 and 2.5 percent, respectively. Sales at midscale restaurants had fallen the previous year.

□ Dinner overtook lunch in sales growth during 1987, registering a 6.3 percent increase, compared with a 5.9 percent rise for the noon meal period. Sales at breakfast advanced 2.5 percent.

Average check size

□ The average per-person check at all restaurants moved up 2.0 percent in 1987 to $3.52. Quickservice operations recorded the largest increase, 3.6 percent, with an average check size of $2.56. The average check size at midscale and upscale establishments was $4.28 and $8.98, respectively.

□ After dropping during 1986, average check size at dinner edged up 0.7 percent in 1987 to $4.63. At the two other meal periods average check size went up as well—to $3.29 at lunch and to $2.33 at breakfast.

Promotions

□ Promotions were used on 17.1 percent of all restaurant visits during 1987. Usage was highest at quickservice restaurants, where promotions were used on 19.2 percent of restaurant occasions. Promotions were used at midscale and upscale establishments on 13.3 and 12.7 percent of all visits, respectively.

□ Dinner was the preferred meal period for promotion use. Promotions were used on 21.9 percent of all eater occasions at dinner. The breakfast and lunch meal periods recorded promotion rates of 13.9 and 16.2 percent, respectively.

Americans are spending more in restaurants

American household spending on restaurant meals continues to grow. According to the latest Bureau of Labor Statistics *Consumer Expenditure Survey*,* households spent on average 36 percent of their food budget on food away from home** in 1985, compared to 32 percent in 1980.

New tabulations track income and age

Special tabulations for the 1985 *Consumer Expenditure Survey* by the Bureau of Labor Statistics allow new insights on household spending on food away from home. Using this new data, the association has developed detailed information on weekly household restaurant spending broken down by age of household head and by average annual household income.

This data, summarized in the accompanying table, demonstrate how differences in household income by age of the household head help to explain variations in spending on restaurant meals and snacks.

In general, those households which allocate the highest portion of their weekly food budget to dining out are ones where 1) the household head is under the age of 25 and 2) the household's annual income is $40,000 or more. Both of these types of households allocate approximately 40 percent or more of their weekly food budget to restaurant meals and snacks.

The *Consumer Expenditure Survey* data also highlights the importance to restaurant operators of those households headed by persons over the age of 55. Often referred to as "empty nesters," these households are an important target market for the foodservice operator. The

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**Since 1980 the Bureau of Labor Statistics (BLS) has used the Consumer Expenditure Survey to track annual consumer expenditures. (Prior to 1980, the survey was conducted every 10 years.) The results reported here are from the diary portion of the 1985 survey, which was kept by more than 5,000 consumer households for two consecutive, one-week periods.*

The diaries collected information about household expenditures for small and/or frequently purchased items, such as food, beverages, tobacco and personal-care products. Expenditures incurred while traveling away from home were not included in the survey results.

***The National Restaurant Association estimates that more than 40 percent of the food dollar is spent away from home. This proportion is higher than the figure reported by BLS because it includes all expenditures on meals and snacks away from home, both personal and business. It also includes amounts for food that may be incorporated in airline tickets, hospital bills, school meals, etc.*

Expenditures for food away from home by number of wage earners

A household spends more on restaurant meals if it has more wage earners

Household size	Number of wage earners	Average income before taxes	Average weekly amount spent for food away from home	Percent of weekly food budget
One person	0	$ 8,266	$ 8.25	30%
	1	17,878	20.52	59
Two or more persons	0	15,246	10.56	21
	1	21,741	18.53	29
	2	33,688	26.66	37
	3 or more	41,813	34.74	35

Source: *Consumer Expenditure Survey*, 1985: Bureau of Labor Statistics, 1987

Weekly expenditures for food away from home by size of household

Singles spend more per person than do members of any other household group

Size of household	**Amount spent away from home**	**Weekly per capita expenditures**
One person	$15.87	$15.87
Two persons	20.94	10.47
Three persons	24.05	8.01
Four persons	26.16	6.54
Five persons	25.93	5.19
Six (or more) persons	25.17	3.76

Source: *Consumer Expenditure Survey*, 1985: Bureau of Labor Statistics, 1987

basic characteristics of these households are that they are, on average, smaller because most children have left the "nest" and, except for households headed by an individual aged 75 or over, they enjoy above average household income.

In 1985 households headed by individuals between the ages of 55 and 64 averaged 2.3 people with an average annual household income of $25,787 before taxes. Households headed by persons between 65 and 74 years of age averaged a smaller 1.8 individuals.

It is interesting to note how per-person spending increased with the age of the household head. For example, when the household head was between the ages of 55 and 64 and annual household income was between $20,000 and $29,999, spending for meals away from home averaged $7.15 per week, compared to $8.90 per person per week when the household was headed by an individual between 65 and 74 years of age.

With fewer financial obligations, increased amounts of leisure time and smaller household size, these older households view restaurant dining as entertainment and are willing to allocate more of their income to it. The higher their annual household income, the more likely these older consumer units are to increase their expenditures on dining out.

Real growth continues

In 1985 households allocated on average $59.92 per week for food, with $21.32 of this amount going for restaurant dining. By comparison, households allocated $15.27 per week for food away from home in 1980.

Of particular interest to restaurant operators is that consumer spending for restaurant dining grew in real terms between 1980 and 1985. Increases in house-

Weekly spending for food away from home by age of household head and income

	Annual household income						
Age of household head	**Under $5,000**	**$5,000-$9,999**	**$10,000-$14,999**	**$15,000-$19,999**	**$20,000-$29,999**	**$30,000-$39,999**	**$40,000 and over**
Under age 25							
• Percent of weekly food budget	53%	40%	39%	45%	52%	*	*
• Per person expenditure	$7.60	$7.02	$9.34	$10.60	$12.00	*	*
25 to 34 years							
• Percent of weekly food budget	26%	26%	33%	38%	39%	40%	42%
• Per-person expenditure	$3.53	$3.82	$5.40	$7.68	$8.28	$9.40	$12.25
35 to 44 years							
• Percent of weekly food budget	27%	24%	30%	31%	36%	35%	42%
• Per-person expenditure	$4.25	$3.16	$4.62	$5.48	$7.33	$8.04	$12.14
45 to 54 years							
• Percent of weekly food budget	*	23%	27%	32%	30%	37%	42%
• Per-person expenditure	*	$3.64	$5.08	$6.62	$7.22	$9.89	$13.48
55 to 64 years							
• Percent of weekly food budget	26%	25%	27%	26%	30%	36%	43%
• Per-person expenditure	$5.28	$4.94	$6.20	$6.48	$7.15	$11.56	$14.97
65 to 74 years							
• Percent of weekly food budget	20%	21%	27%	29%	30%	*	39%
• Per-person expenditure	$4.19	$4.86	$6.57	$7.25	$8.90	*	$14.41
75 and over							
• Percent of weekly food budget	13%	17%	23%	*	*	*	*
• Per-person expenditure	$2.24	$3.57	$5.62	*	*	*	*

* *Insufficient data*

Source: *Consumer Expenditure Survey*, 1985: Bureau of Labor Statistics, 1987.

hold spending for food away from home over this five year period surpassed advances in menu prices as measured by the Consumer Price Index (CPI).

The role of income

The amount which the average American household spent on eating out in 1985 varies substantially by several demographic characteristics, including the income of the household. In general, as household income increases, the dollar amount allocated for food away from home increases.

According to the 1985 *Consumer Expenditure Survey*, households with annual incomes of $40,000 or more spent $42.61 per week on dining out—more than $21.00 above the average U.S. household. Spending for food away from home for this income category accounted for 42 percent of the weekly food budget—the largest amount among all income levels.

Households in the $20,000 to $29,999 annual income bracket spent a lower 35 percent of their weekly food budgets. Those households with annual incomes between $5,000 and $9,999 spent the smallest proportion of their weekly food budgets on restaurant meals—24 percent.

The importance of household size

Household size is an another important factor in determining the amount spent for food away from home. Generally, the smaller the household, the greater the share of the total weekly food budget spent on restaurant dining.

The average per-person expenditure for dining out also decreases as household size increases. An analysis of the *Consumer Expenditure Survey* for 1985 reveals that households of only one person spent an impressive 49 percent of their weekly food budgets for food away from home ($15.87). Two-person households spent substantially less per person—$10.47—and households of six or more spent an average of just $5.76 per person.

The role of age and wage earners

Among all age groups, the largest proportion of the food budget spent on dining out occurs in households headed by persons under the age of 25. In 1985 these households spent almost half (49 percent) of their total weekly food budgets on meals and snacks away from home.

In comparison, those households headed by individuals between 35 and 44 years of age spent a smaller proportion of their weekly food budget on dining out—38 percent. These households, however, spent the most in actual dollars—$28.65 per week on average, compared to $17.62 per week for households where the head was under the age of 25.

According to the 1985 *Consumer Expenditure Survey*, working individuals who live alone spent almost six out of every 10 food dollars on dining out or $20.52 per week.

In comparison, households consisting of two or more persons with only a single wage earner spent a smaller proportion of their food budget on dining out—29 percent. In households of two or more persons where two individuals were working, a higher proportion (37 percent) of the food budget was allocated to food away from home.

—Hudson Riehle

Spotlight on 35 to 44-year-olds

Although 35 to 44-year-olds appear to mirror the demographic makeup and restaurant usage patterns of the 25 to 34-year-old segment, differences in dining-out behavior exist between these two parts of the baby boomer generation. Thirty-five to 44-year-olds order different types of foods, dine at different restaurants and tend to be more nutrition-conscious.

The baby boomer popularized in the media is best represented by the demographic characteristics of 35 to 44-year-olds.

□ **Family life.** A major difference between 35 to 44-year-olds and the younger half of the baby boomer generation lies in the proportion of each age group that is married with children. Nearly 80 percent of all 35 to 44-year-olds were married in 1986 compared to 65 percent of 25 to 34-year-olds. But, more significantly, almost 70 percent of all households headed by 35 to 44-year-olds included children under the age of 18. Only 56 percent of households headed by a 25 to 34-year-old had a child under 18.

Not surprisingly, 35 to 44-year-olds also have more children under the age of 18 in their households than do other age groups. Families in this age group had, on average, 1.65 children in 1986, compared to 1.46 children for those between the ages of 25 and 34. And these children tend to be older. Whereas 44 percent of the family households headed by 25 to 34-year-olds had children only under the age of six, 10 percent of the 35 to 44-year-old families were in a similar situation. The children in 70 percent of these older households were between the ages of 6 and 17. This places a different set of demands on parents. With older children, 35 to 44-year-olds have their own restaurant requirements and expectations.

Family responsibilities also extend to other areas of domestic life, including home ownership. With high incomes and sufficient time to accumulate savings and raise larger families, 35 to

Growth in traffic among 35 to 44-year-olds at quickservice restaurants

Ethnic restaurants have led the way in traffic growth

	1986/1982
Asian	163%
Pizza	71
Mexican	63
Full menu	37
Chicken	30
Hamburger	23
Total quickservice	31%

Source: National Restaurant Association CREST survey, 1987

Quickservice profile for 35 to 44-year-olds

Percent of eater occasions	1982	1986
• off-premises	58%	60%
• on-premises	42	40
Percent change in eater occasions 1982/86		
• off-premises	35%	
• on-premises	24	
Share of total increase in eater occasions 1982/86 attributed to		
• off-premises	66%	
• on-premises	34	

Source: National Restaurant Association CREST survey, 1987

When and where 35 to 44-year-olds ate, 1986

Quickservice restaurants had the largest share of total visits

	Share of eater occasions	
	Male	Female
Breakfast/a.m. snacks	15%	13%
Lunch	38	37
Dinner	37	39
P.M. snacks	10	11
Quickservice	68	69
Midscale	23	22
Upscale	9	9

Source: National Restaurant Association CREST survey, 1987

44-year-olds are likely to be home owners. More than 70 percent of 35 to 44-year-old households owned their own home.

☐ **Income.** The ability of 35 to 44-year-olds to afford their own homes reflects their high levels of income. In fact, 35 to 44-year-olds account for just one-fifth of all households, but they earned nearly 26 percent of total U.S. household income in 1986. Further, the median household income for 35 to 44-year-olds was $32,787 in 1986, compared to $25,898 for 25 to 34-year-olds, a noticeable gap. Nearly one in four 35 to 44-year-old households earned at least $50,000 per year. Nearly 38 percent of their average weekly expenditure on food goes to restaurants, the highest percentage of any age group.

☐ **Dual-income households.** The high income level of 35 to 44-year-olds comes from their being closer to their peak earning years and from the preponderance of two-income households among this age group. Among married couples, where both are between the ages of 35 and 44, 67 percent earn dual incomes. In fact, among married females, those 35 to 44-years-old were the most likely to be in the labor force in 1986. Sixty-nine percent of married females in this age group were either employed or looking for work, compared to 96 percent for their male counterparts.

☐ **Education.** As with 25 to 34-year-olds, older baby boomers are a well-educated group. Nearly 40 percent completed high school, and more than one-quarter finished college.

Quickservice restaurants most popular

According to CREST data, 35 to 44-year-olds account for 17 percent of all restaurant occasions, the second largest share among age groups, behind 25 to 34-year-olds. More importantly, these older baby boomers accounted for more than one-quarter of the growth in total restaurant traffic between 1982 and 1986, the largest growth share of any age group. The younger baby boomers, who through their greater numbers accounted for a higher share of traffic, contributed only 14 percent of traffic growth during that five-year period.

Quickservice restaurants account for the largest share of restaurant visits by 35 to 44-year-olds, just as they do with 25 to 34-year-olds. Nearly 70 percent of all visits by 35 to 44-year-olds were at quickservice restaurants in 1986, with burger places capturing the largest share—37 percent—of meal occasions. Pizza places were also popular with 35 to 44-year-olds, attracting more than 17 percent of all quickservice eater occasions. These two types of restaurants accounted for more than half of all quickservice visits. After hamburger and pizza establishments, chicken operations were the next most popular quickservice restaurant, representing for 7 percent of fast food eater occasions.

Midscale restaurants were slightly more popular with 35 to 44-year-olds than with their younger counterparts. In the midscale segment, 35 to 44-year-olds preferred varied menu, family-style, cafeteria and family steak restaurants, suggesting that this family-oriented age group looks to midscale establishments for value.

Upscale restaurants accounted for approximately 9 percent of the 35 to 44-year-olds' eater occasions, and varied menu and ethnic establishments were the restaurants of choice. Varied menu operators captured the overwhelming share of occasions (about 40 percent) within this segment; Mexican and Asian eateries each represented 10 percent of visits. In addition, hotel restaurants were popular with 35 to 44-year-olds, garnering 13 percent of all upscale occasions.

Takeout growth strong

The popularity of takeout with 35 to 44-year-olds can be seen in their large degree of off-premises dining—45 percent of all eater occasions. And the popularity of takeout is growing among the baby boomer generation. More than 25 percent of all growth in takeout occasions between 1982 and 1986 can be ascribed to 35 to 44-year-olds.

More than two-thirds of takeout occasions were transacted through traditional carryout service in 1986. Another one-quarter was accomplished via drive-thru windows, with the remainder the result of home delivery. Compared to the 25 to 34-year-old age group, 35 to 44-year-olds use carryout more and delivery and drive-thru less.

The popularity of takeout food with 35 to 44-year-olds is most likely due to the same factors that affect 25 to 34-year-olds: limited leisure time and a desire for convenience. Because 35 to 44-year-olds are in the midst of raising families, there is a strong demand for convenient foods. This is compounded by the large percentage of two-income families. With both parents working, little time is avail-

Health and nutrition awareness, by age

Thirty-five to 44-year-olds are more concerned about nutrition than younger baby boomers

	Very informed about health and nutrition issues	Consider self overweight	Currently on a diet
Male			
18-24	32%	6%	8%
25-34	23	42	12
35-44	40	50	20
45-54	15	56	18
55-64	30	54	12
65+	40	44	17
Female			
18-24	28	26	19
25-34	36	36	25
35-44	48	49	26
45-54	62	48	29
55-64	51	44	31
65+	44	40	12

Source: *Consumer Nutrition Concerns and Restaurant Choices*, National Restaurant Association, 1986

able for preparing dinner. In addition, work schedules do not always allow parents to get home, shop and cook supper in time for their children's normal dinner hour. Restaurant takeout can be a saving grace for parents after a long day at work.

Pizza chains have keyed in on the demand for quick delivery service, offering discounts or refunds for food not delivered within a specified period of time. A 1986 National Restaurant Association study of the takeout market illustrates the family-oriented use of takeout by 35 to 44-year-olds. According to the survey, nearly half of the 35 to 44-year-old respondents purchased their last takeout meal for household members. A smaller proportion, 39 percent, purchased takeout food for only themselves.

Takeout food is associated with quickservice restaurants. According to the association's takeout market study, frequent consumers of takeout food most often visited fast food restaurants. Sixty-two percent of 35 to 44-year-olds used fast food establishments when ordering takeout in 1986; 30 percent ordered takeout food at tableservice operations and 24 percent used grocery store carryout. The percentages patronizing fast food places for takeout food declines with age.

Menu preferences

Like 25 to 34-year-olds, members of the 35 to 44-year-old age group most often ordered sandwiches, pizza and chicken at restaurants in 1986. Sandwiches were the clear favorite, ordered on 32 percent of all restaurant eater occasions. Hamburgers, included in the sandwich category, were ordered on 18 percent of all occasions. As the age of consumers increases, the propensity to order burgers and sandwiches decreases.

At quickservice operations, sandwiches, with a 39 percent share of all occasions, were the order of choice, followed by pizza—ordered on 16 percent of all quickservice occasions—chicken and Mexican food.

Sandwiches are the most popular item at midscale restaurants as well. Beef and fish/seafood, with eater shares of 11 and 9 percent, respectively, replaced pizza as menu favorites at midscale eateries. And Asian food, ordered on 5 percent of occasions, is also a popular midscale restaurant request among 35 to 44-year-olds.

Ethnic food popular at upscale eateries

Ethnic food is most popular with 35 to 44-year-olds at upscale establishments. Mexican, Asian and Italian food were each ordered on nearly one in 10 dining occasions at upscale restaurants during 1986. Beef and seafood, however, remain the upscale orders of choice for this age group.

The growing demand for ethnic food by 35 to-44-year-olds is best exemplified by the increase in orders for these menu items at all restaurants. Between 1982 and 1986, orders of pasta, Mexican food and Asian dishes experienced growth of at least 40 percent. Pizza orders rose at an astounding rate of more than 70 percent. Thirty-five to 44-year-olds accounted for approximately one-fifth of the growth in total orders of pizza, pasta and Mexican food. And they accounted for nearly 25 percent of the growth in Asian food orders. In comparison, beef orders declined, and fish or seafood orders rose by less than one percent.

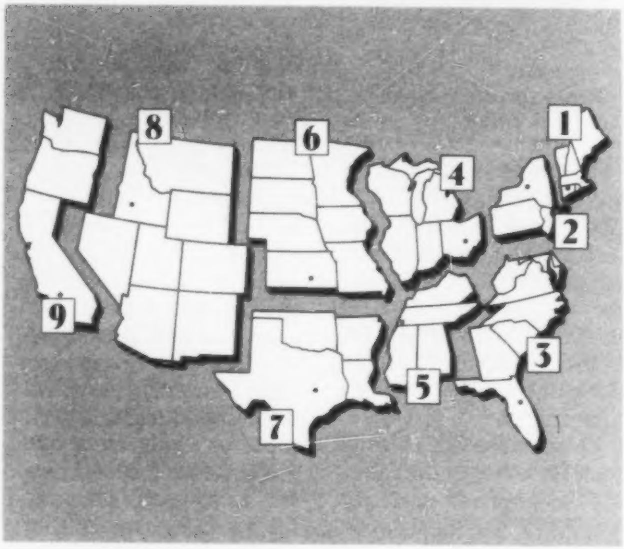
Health and nutrition awareness

An important difference between 25 to 34-year-olds and 35 to 44-year-olds is the latter group's increased awareness of health and nutrition. Thirty-five to 44-year-olds, caught between youth and middle age, are more aware of the aging process.

More than 40 percent of those aged 35 to 44 considered themselves very informed about health and nutrition issues, according to a 1986 National Restaurant Association study. Among men, 35 to 44-year-olds made this claim more often than did any other age group. Showing further concern for health, half of the 35 to 44-year-olds considered themselves overweight, compared to less than 40 percent of those between the ages of 25 and 34. One in four 35 to 44-year-old women claimed to be on a diet as did one in five men, the highest percentage among male age groups.

Among women, diet restrictions appear to be common. Eighty percent of surveyed females between the ages of 35 and 44 said they restricted their intake of salt. Another 81 percent restricted sugar, and 77 percent restricted cholesterol and fat. In contrast, 65 percent of females aged 25 to 34 restricted salt in their diets and 57 and 64 percent, respectively, restricted cholesterol and fat. The increased concern shown by 35 to 44-year-olds suggests that there are major differences in health awareness between the two parts of the baby boom generation.

—Laurence Greenberg



1 NEW ENGLAND

Location: Windsor Locks, CN
Association member: Bernard Pietruskiewicz
Operation: The Steak Club
Profile: One of seven midscale restaurants
In business: 17 years
Seats: 211
Meals served: Lunch, dinner

"For this time of year, business is real good. We're ahead of last year, and we had a super year last year," says **Bernard Pietruskiewicz,** general manager of The Steak Club in Windsor Locks, Connecticut.

The Windsor Locks unit is one of five Steak Clubs in Connecticut. There is also one in New York and one in Massachusetts. In addition to steaks, The Steak Club serves a variety of seafood and chicken. But prime rib is the big draw. "It's an excellent deal for the price. It's cooked very slowly at a low temperature, which makes it very flavorful and very tender," Pietruskiewicz says.

"We have quite a big menu. There is something for everyone. If you want to eat light you can, and if you want to eat heavy, you can do that too," he says.

2 MID ATLANTIC

Location: Newark, NY
Association members: Dolores and Joseph Castelli
Operation: Castelli's Village Inn
Profile: Midscale restaurant
In business: 12 years
Seats: 250
Meals served: Lunch, dinner

"How's business? Down. We don't have the clientele we used to because of the loss of the business meal tax deduction. Also, it is becoming a pretty depressed area here," says **Debbie Castelli,** one of the owners of the family-owned Castelli's Village Inn. Business is down 15 to 20 percent from November, according to Dolores Castelli, who attributes the decline to the stock market crash and the low number of holiday parties in December.

A bright spot in the bleak business picture is carryout, which has increased about 20 percent in the last six months. "We haven't really promoted it; it's just been by word of mouth," says Debbie Castelli.

The Village Inn offers customers a relaxed, pub-like atmosphere. It is located in a quaint, one-story building built in 1910. Since then, five rooms have been added.

Homemade soups, pastry and breads have made Castelli's Village well-known in both nearby Rochester and Syracuse.

3 SOUTH ATLANTIC

Location: Deland, FL
Association member: Jim Houck
Operation: King Neptune, Inc.
Profile: 7 Kentucky Fried Chicken franchise units
In business: 15 years
Seats: 45
Meals served: Lunch, dinner

"Business has been good. There has been substantial growth in Florida, and we are receiving our proportionate share of the growth," says **Jim Houck,** owner of seven Kentucky Fried Chicken franchise units in east central Florida. Houck's seven stores are spread out in a 140-mile area across three counties.

"The biggest change we have made recently is upgrading our facilites as a major franchise contender to better serve our market," Houck says. Included in that upgrade was reconstructing one unit in Titusville because traffic patterns had changed in that area. In addition to the Titusville unit, Houck has units in Palatka, Deland (two), Deltona and New Smyrna Beach (two).

4 EAST NORTH CENTRAL

Location: Athens, OH
Association members: Pat Sauber, Terry Glasser
Operation: McDonald's
Profile: One of four franchise units
In business: 18 years
Seats: 100
Meals served: Breakfast, lunch, dinner

"Last year our sales were pretty flat. This year January was up 6½ percent, which is pretty good," says **Terry Glasser,** general manager of a McDonald's franchise in Athens, Ohio. Glasser said it was difficult to tell if the sales slowdown in 1987 was caused by the weather or the economy.

Glasser's unit, one of two in Athens, is like most McDonald's, except for its sunroom. Also, it was one of the first McDonald's to get a double drive-thru. "The corporation wanted us to do that when we remodeled the entire kitchen. Since we're kind of cramped for space, it's okay, but I don't believe it improved our business enough to warrant the amount we spent on it. As far as service goes, it's worked out pretty good."

Another corporate idea—the cheddar melt—has worked much better. "That has been about 7 percent of our sales," Glasser says, "so that's real good."

Glasser says McDonald's is very involved with the franchise. The corporation holds regular meetings and inspections to go over new products. "They keep very close tabs on all of their stores," he says.

5 EAST SOUTH CENTRAL

Location: Memphis, TN
Association member: David E. Lemon
Operation: Flautt Properties Incorporated
Profile: Franchise corporation that runs hotels and hotel foodservice
In business: 12 years
Seats: Varies according to

property
Meals served: Breakfast, lunch, dinner

"Most hotel restaurants work at a break-even point," says **Larry Welch,** vice president of food operations for Flautt Properties Inc. "We try to work at a 19 to 20 percent profit margin in the restaurants. It's tough, but at the close of the year it works out."

Flautt Properties owns 19 franchised hotels throughout the Southeast and runs the foodservice operations in each one of those hotels. All of the hotel restaurants offer roomservice, but apart from that, they differ greatly. When Flautt takes over a hotel, it puts in a restaurant that it believes fits that particular hotel and surrounding area.

However, there are some similarities in the menus. All serve sandwiches for lunch, have fit and trim menus and serve about 60 percent red meat and 40 percent white meat. "We're selling lots more fish and lots more shrimp than we used to," Welch says.

Flautt Properties operates franchised hotels for Holiday Inn, Hilton, Ramada and Royce. Each hotel, each restaurant and each lounge operates under its own budget.

6 WEST NORTH CENTRAL

Location: Wichita, KS
Association members: Craig and Dale Steven, et al
Operation: Spangles Incorporated
Profile: 11 company owned fast food units
In business: 9 years
Seats: 100
Meals served: Lunch, dinner

"Business is super for us; for the competition, it's not as good," says **Dale Steven,** owner of Spangles Inc. "We opened three stores last year in Wichita."

Steven's 11-unit fast food chain, which he runs with his brother Craig, is now expanding beyond Wichita and may begin franchising itself early in the next decade. "Our goal is to some day franchise," Steven says. "There is no big hurry; we want to do it right."

Steven's units are about 3,000 square feet and contain an all-you-can-eat salad bar for $2.99. One-third of the bar contains Mexican fare, allowing customers to make their own tacos, burritos or nachos. "Our mainstay is our all-you-can-eat salad bar, but we also have a line of sandwiches, a line of chili and a line of hot dogs," he says.

Recently, Steven began putting sundae bars in his units. The bars offer 10 toppings and numerous accessories, such as peanuts and chocolate chips. Steven says they have done well.

7 WEST SOUTH CENTRAL

Location: Austin, TX
Association member: Craig Lovejoy
Operation: Domino's Pizza
Profile: 15 franchise units
In business: 13 years
Seats: 0
Meals served: Lunch, dinner

"We are doing surprisingly well," says **Craig Lovejoy,** owner of 15 Domino's Pizza franchise units in the Austin, Texas, area. "The Texas economy, as everyone knows, is biting the bullet. But our sales are up over the previous year."

Lovejoy began in the early days of Domino's franchising, opening his first unit in 1975. He plans to open three or four more units in the near future. All of his units are 11,000 square feet and contain the standard Domino's equipment. "If you've seen one, you've seen them all," he says. "This makes it easy to run a group of franchises because if you close one store, you know you can fit the equipment in easily at another store."

Lovejoy says his units are run the same as other Domino's, except for the manager bonus system. At most Domino's the manager gets a bonus based on store sales. At Lovejoy's units the managers get half of their bonus from their unit and half from a pool from all of the units. "This encourages a lot more cooperation between the stores," he says.

8 MOUNTAIN

Location: Twin Falls, ID
Association member: Stephen, Leo and Tim Soran
Operation: Soran Restaurants Inc.
Profile: A privately owned fullservice restaurant, banquet club and catering service
In business: 29 years
Seats: 177
Meals served: Breakfast, lunch, dinner

"Last year was the best year we ever had, as far as volume and customer count are concerned," says **Stephen Soran,** one of the owners of Soran Restaurants Inc. "Our catering business has never been better."

The family-owned Soran Restaurants operates a fullservice restaurant, a banquet club and a catering service. The restaurant—the Depot Grill—accounts for most of the corporation's sales. The front room of the Depot Grill operates much like a diner and is open 24-hours-a-day. The Depot's rear room, called the Caboose Room, operates like a traditional family-style restaurant.

The Caboose hosts a locally popular smorgasbord, which includes roast beef, sweet and sour chicken, liver and onions and steaks.

9 PACIFIC

Location: Oceanside, CA
Association member: Roy Ring
Operation: The Californian Yogurt Company
Profile: One of six franchise units in California
In business: 1 year
Seats: 35 indoors, 12 outdoors
Meals served: Lunch, dinner

"In general, business is good," says **Dan Foster,** owner of a franchise unit of The Californian Yogurt Company. "Our main season is summertime, as I suppose it is most places. We're kind of in the middle of our slowest season."

The yogurt company serves frozen yogurt, yogurt shakes, yogurt sundaes, beverages, cookies and muffins. The company rotates its flavors, serving 10 of its 30 creations at any one time. Chocolate, vanilla, strawberry and coconut are the most popular flavors, but more exotic ones, like strawberry cheesecake, also sell well.

The company creates a cheery, California look in its units by using a lot of red, white and blue and strategically placed palm trees. It's an atmosphere that many customers enjoy. "I think a lot of people like to come in and enjoy the bright atmosphere. They can relax and don't feel like they are getting pushed out."

—Tom McKeon

FOOD FOR THOUGHT

New menu item for McBabies

McDonald's has added a new menu item for those customers who are too young to enjoy a Big Mac and Chicken McNuggets—baby food. The tiny glass jars, which are selling for 35-45 cents each, contain the real stuff from Gerber Products Company, not shredded cheeseburgers or strained french fries.

The baby food program, which appears to be simply an added convenience to customers, is being tested at units in Allentown and Emmaus, Pennsylvania, and will not be expanding to any other outlets anytime soon. The market, however, literally is crying out for more strained carrots and apple juice—last year, American families spent $712 million on baby food. There are 3.7 million infants in the country, and Gerber says the average baby eats 880 jars of food in the first 18 months of life.

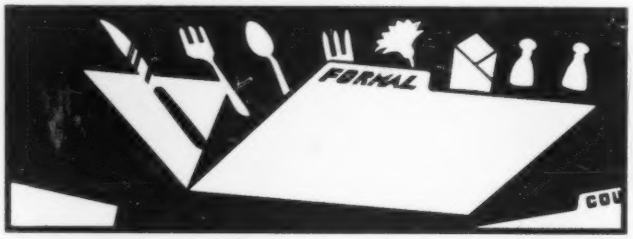
—USA TODAY

A restaurant in a file

Now even office workers who brown bag their lunch can have the sensation of eating in a restaurant, thanks to Lunch-In Mat, a laminated placemat that looks just like a file folder until it is opened and a complete table setting pops up.

The Lunch-In Mat, manufactured by Banning Enterprises of Bellmore, New York, sells for $4.99 and comes in three styles. Brown baggers can choose from a formal restaurant look, a country casual motif or a diner style that folds out to look like a formica-countered place setting, complete with utensils, salt and pepper shakers, water glass and napkin and sugar dispensers. The only thing missing is the jukebox.

—Cook's Magazine



Automatic chopsticks

There is good news for diners who were never able to master the art of using chopsticks. With Automatic Chopsticks, a new product marketed by BD Distributors of Marina Del Rey, California, even the chopstick novice can discover the joys of traditional Eastern dining.

The key to the new product is a plastic disc that holds the two chopsticks together near the top of the sticks. The disc, which also provides a slight spring action, can even be imprinted with a message or logo that is guaranteed to reach eye level with every bite.

—BD Distributors

Arby's goes Asian

Tanizawa Foods has opened its first Arby's roast beef restaurant in Chiryu City, Japan. The restaurant, located near Nagoya, is the first free-standing Arby's in Japan and features Arby's standard menu and a drive-through area for takeout.

Headquartered in Okazaki, Tanizawa Foods is one of Japan's largest franchise foodservice companies. Its joint agreement with Arby's calls for opening 40 Arby's restaurants over the next four years in the Tokaido area between Tokyo and Osaka. Tanizawa Foods currently operates 80 other franchised restaurants in Japan.

Japan has seen tremendous growth in the fast-food industry during the past few years. According to Noriyoshi Tanizawa, the roast beef sandwich will be the next fastest growing fast food item in Japan.

—Arby's, Inc.

Fat substitute on its way

In a major breakthrough in the food industry, NutraSweet Company expects to begin selling a low-calorie, cholesterol-free fat substitute within the next 12 to 18 months. The product, Simplesse, could be a boon to weight and health-conscious consumers who want the flavor and texture of fat without the calories.

Because it will likely hit the market before Procter & Gamble Company's Olestra, another fat substitute, Simplesse will also be a boon for the NutraSweet Company, whose stock skyrocketed immediately after the product unveiling.

Simplesse is designed to be used in ice cream, margarine, yogurt, processed cheese, salad dressing and a range of other products. It is made through a process that changes the size, shape and texture of milk and egg white proteins, says NutraSweet. The product's clearest drawback is that, unlike Olestra, it can't be used for frying and baking. NutraSweet says heat would cause Simplesse to gel and lose its creaminess.

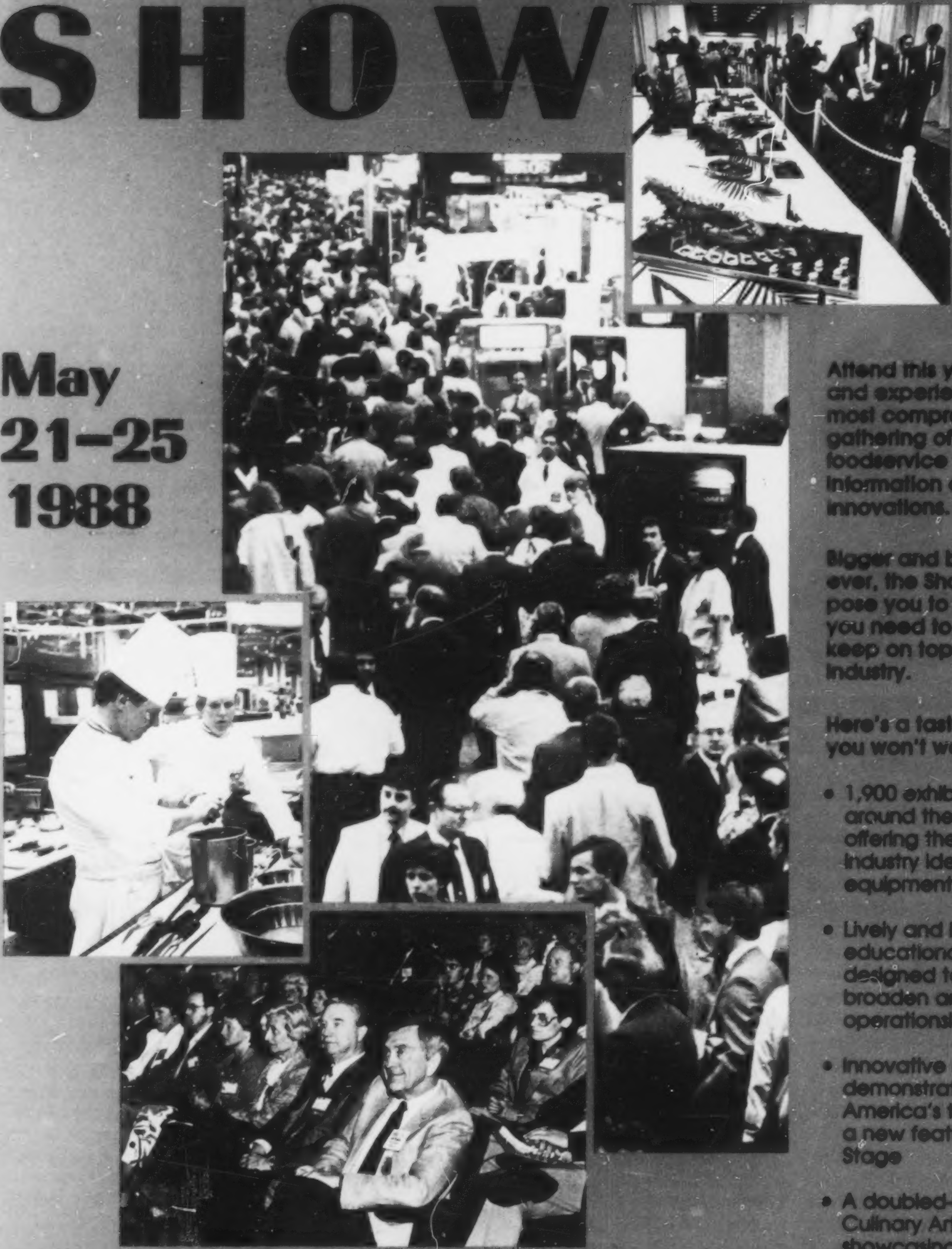
Simplesse has 1.3 calories per gram, fat has 9 calories per gram. A four-ounce serving of chocolate ice cream would be reduced from 283 calories to 130 calories with Simplesse; a 99 calorie tablespoon of mayonnaise would be reduced to 30 calories.

—Washington Post, Wall Street Journal, and USA TODAY

National Restaurant Association Restaurant, Hotel-Motel

SHOW

May 21–25 1988



Attend this year's Show and experience the most comprehensive gathering of foodservice trends, information and innovations.

Bigger and better than ever, the Show will expose you to everything you need to know to keep on top of the industry.

Here's a taste of what you won't want to miss:

- 1,900 exhibitors from around the world offering the latest industry ideas and equipment
- Lively and informative educational programs designed to help you broaden and update operational skills
- Innovative culinary demonstrations by America's top chefs at a new feature, Chef's Stage
- A doubled-in-size Culinary Arts Salon showcasing the latest food presentation techniques.

For additional information call or write:

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THE MONTHLY MAGAZINE OF THE NATIONAL RESTAURANT ASSOCIATION

VOL. 8 □ NO. 4 □ APRIL 1988

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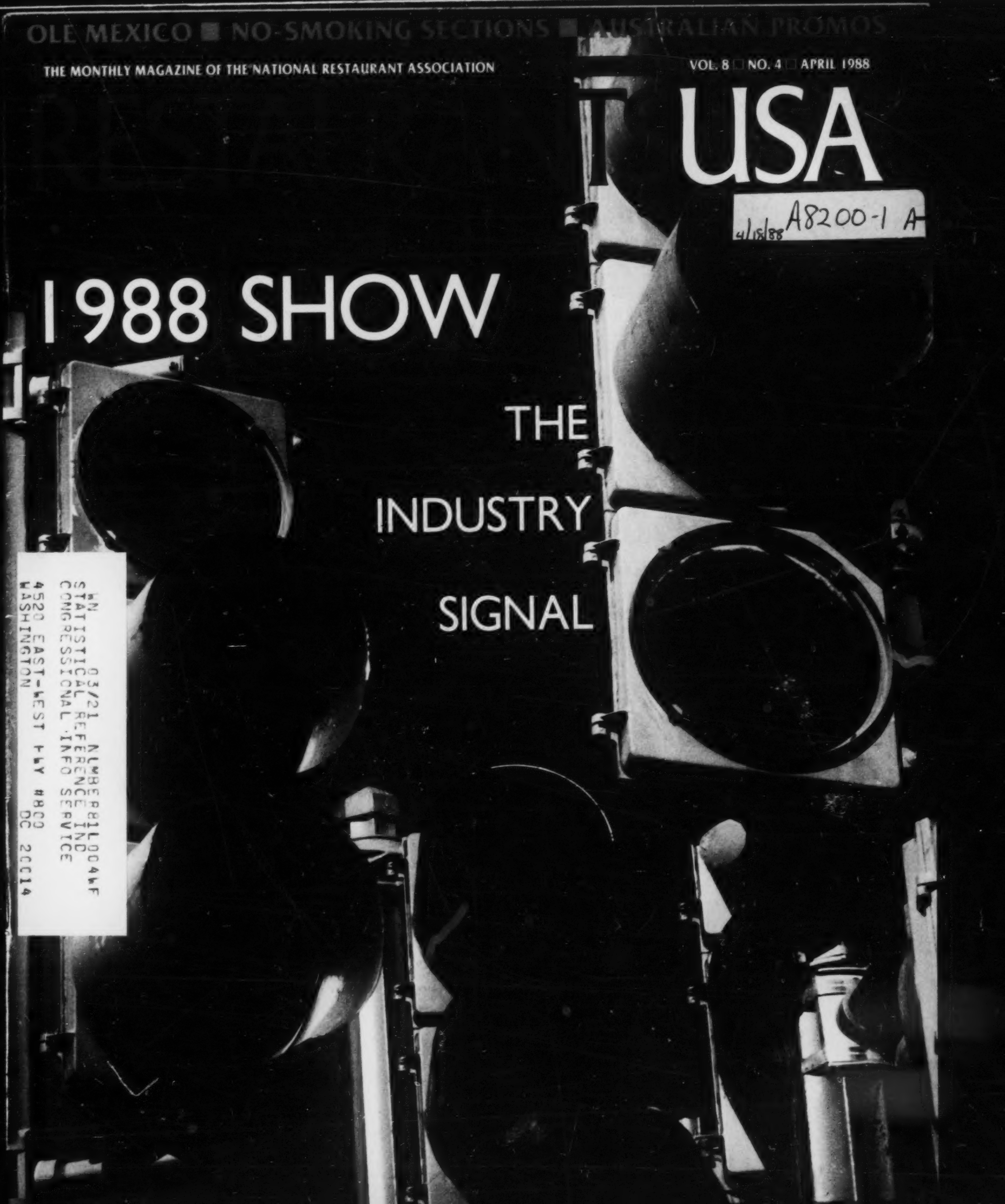

1988 SHOW

THE INDUSTRY SIGNAL

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ASSOCIATION MEETINGS

SEMINARS

Basic Foodservice Courses

Dining Room Management

4/26	Boston, MA
4/27	Albany, NY
5/2	Norfolk, VA
5/3	Atlanta, GA
5/10	Wilmington, DE
5/21	Chicago, IL
6/14	Los Angeles, CA
6/15	Riverside, CA
6/28	Portland, OR
6/29	Seattle, WA

Increasing Sales: Effective Front-of-the-House Management

5/19	Hartford, CT
5/22	Chicago, IL
6/21	Burlington, VT

Kitchen Management

4/18	Houston, TX
4/19	Phoenix, AZ
4/20	Boise, ID
5/4	Detroit, MI
5/5	Pittsburgh, PA
5/21	Chicago, IL
6/6	Boston, MA
6/7	Albany, NY
6/13	Washington, DC

Employee Motivation

5/21	Chicago, IL
5/24	Omaha, NE

Tools for Training

5/22	Chicago, IL
6/21	Austin, TX
6/22	New Orleans, LA

Food Production Courses

Soups and Sauces

4/18	St. Louis, MO
4/19	Minneapolis, MN
5/19	Savannah, GA
5/22	Chicago, IL
6/13	Grand Rapids, MI

Foodservice Management Courses

Banquet Management

4/20	Tampa, FL
4/21	Newark, NJ
6/7	Houston, TX
6/8	Dallas, TX

Beverage Management

5/21-22	Chicago, IL
6/28-29	San Francisco, CA

Do-It-Yourself Public Relations

4/20	Nassau, NY
4/21	Providence, RI
6/8	Tysons Corner, VA
6/9	Baltimore, MD
6/14	Pittsburgh, PA

Food Cost Management

5/22	Chicago, IL

Hiring in a Tight Labor Market

4/26	Atlanta, GA
4/27	Orlando, FL
5/11	San Francisco, CA
5/12	San Diego, CA
5/22	Chicago, IL

Menus That Sell!

4/21	Bethesda, MD
5/3	Covington, KY
5/21	Chicago, IL
6/16	Columbia, SC

Off-Premises Catering

5/3-4	Baltimore, MD
5/21-22	Chicago, IL

Operational Analysis

5/21-22	Chicago, IL

Planning and Implementing a Restaurant Marketing Strategy

5/21-21	Chicago, IL

Planning Successful Buffets

4/25	Riverside, CA
4/26	Long Beach, CA
5/21	Chicago, IL

Profitability

5/22	Chicago, IL

Restaurant Design

5/21-22	Chicago, IL

Restaurant Real Estate Site Selection

5/21-22	Chicago, IL

Wine Server Training

5/5	Dallas, TX
6/21	Chicago, IL
6/22	Cincinnati, OH

For more information, contact Frank Doyle at the Educational Foundation of the National Restaurant Association 1200 Seventeenth St., N.W., Washington, DC 20036-3097 (800) 424-5156 or (202) 331-5900

EXECUTIVE STUDY GROUP SERIES

Foodservice Purchasing Managers
5/18-20 Chicago, IL

Internal Auditors
4/26-29 Charleston, SC

Management Information Systems (MIS—formerly EDP)
4/12-17 Scottsdale, AZ

Marketing Executives
5/18-21 Chicago, IL

Multi-unit Architects, Engineers and Construction Officers (MAECO)
5/18-20 Chicago, IL

Quality Assurance
4/20-22 San Diego, CA

For more information on specific study groups, contact: Philip Kralovec, (312) 853-2525.

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RESTAURANTS USA

VOL. 8 NO. 4 **APRIL 1988**

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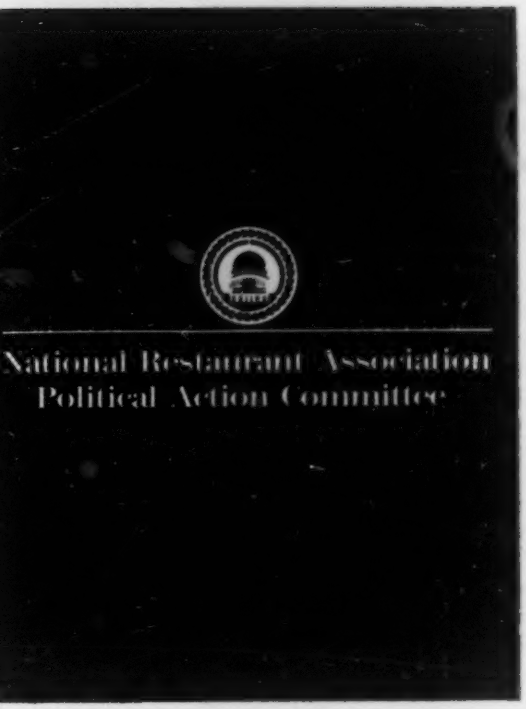
PRESIDENT'S REPORT

Michael J. Grisanti, President and Chief Operating Officer
Grisanti, Inc., Louisville, KY

The National Restaurant Association's Annual Restaurant, Hotel-Motel Show is the direction signal for the industry. Which way is the industry going? How can you meet changing consumer tastes? How can you take advantage of new technology and equipment? Which way should you go to keep your business growing? The Show, with its 1,900 exhibits from the United States and around the world, answers these questions.

The Show is a real learning experience. The signature and theater series and management clinics bring together leading business and foodservice luminaries to discuss major operational challenges. And the educational foundation offers 18 different seminars on subjects ranging from employee motivation and hiring in a tight labor market to menus that sell and restaurant design.



May 21 through 25 are the dates. It is not too late to arrange to be at the annual restaurant Show in Chicago.

Last month the House Education and Labor Committee added an amendment to the minimum wage bill which would raise the tip credit from the current 40 percent to 45 percent in 1989 and 50 percent in 1990. This amendment resulted from intensive lobbying and grassroots activity for which the staff and membership are to be congratulated.

But our struggle has really just begun. The committee also included in the bill a fourth year increase which would bring the minimum wage to $5.05 in 1992. This fourth increase may have been added as a bargaining chip. Still, business cannot absorb the wage hikes the bill contains.

Now is the time for you to act. During April the House will vote on the minimum wage bill, and the Senate Labor Committee will draft its version of the bill. Write or call your congressional representative and senators today. Give them a twofold message:

1. Increases in the minimum wage are counterproductive. Saddled with mandatory wage increases, restaurateurs will be forced to reduce employee hours.

2. If tips are treated as wages for FUTA and FICA tax purposes, they should be treated as wages in regard to minimum wage. The tip credit should be increased to at least 50 percent.

There is good news in regard to another potentially damaging bill. After four unsuccessful attempts to break a filibuster, the Senate has dropped the High Risk Notification Act. Passed by the House last year, this legislation would have required that all present and past employees be notified of any substance used on the job that is deemed a health risk. The bill completely ignored existing agencies that handle such problems. The Senate action makes it unlikely that the legislation in its present form will become law.

[redacted]

The Targeted Jobs Tax Credit (TJTC), which allows employers a tax credit for hiring among specified minority groups, survived tax reform, but it is due to expire at the end of 1988. The association has already begun lobbying for its renewal. Members who have benefited from TJTC, or think they might, should write their representatives today.

[redacted]

Research has issued two new publications. Key members will shortly receive a current issues report on the labor market. It shows that most areas of the country still have an adequate supply of employees and that problems are regional. The report provides information on how to assess the labor supply and how to work with state employment services to find qualified employees.

The second study is *The Survey of Wages and Benefits for Salaried Employees and Executives.* This survey, conducted by the association in collaboration with Laventhol and Horwath, offers the latest available information on managerial level wage rates and benefit packages. It is now available through the association's publications department.

[redacted]

On the back cover of the magazine you will find a message about the National Restaurant Association PAC. Year in and year out, Congress makes laws that affect your business. Unfortunately, many members of Congress have not bothered to learn the needs of a growing industry. Our PAC seeks out and contributes to the federal campaigns of legislators who have shown they understand our problems and point of view.

I urge you to fill out the enclosed solicitation authorization form (between pages 46 and 47). By doing so, you may change the course of legislation in our country.

It is my pleasure to welcome 117 new members who joined the National Restaurant Association in March. Your participation in the association will benefit your business and will make the association more effective in its representation of the foodservice industry.

Sincerely,

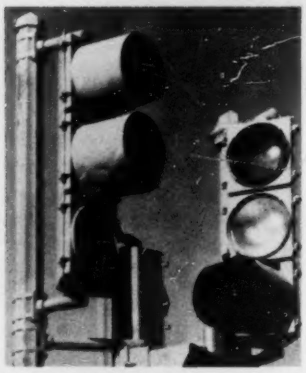
Michael J. Grisanti
President and Chairman of the Board

RESTAURANTS USA

COVER STORY: PRE-SHOW NEWSLETTER

19

Which way is the industry headed? Find out at the 69th annual National Restaurant Association Restaurant, Hotel-Motel Show at Chicago's McCormick Place, May 21-25. For a preview of what to expect, turn to the pre-Show newsletter.



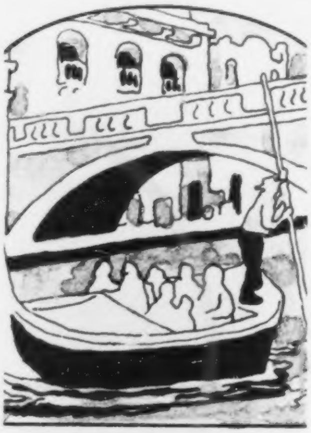
SPECIALS

9 OLE! Mexican cuisine a new way

Mexican restaurants are changing and customers are responding positively to the more authentic flavors. Operators are highlighting regional dishes and creating new hybrid menus. The decor is changing, too, reflecting the spirit and colors of Mexico and her people. A *Foodservice Trends* sidebar discusses the segment's growth.

16 Enriching ethnic edibles

The popularity of ethnic foods continues to increase and so does consumer interest in nutrition. This assessment of Mexican, Chinese, Japanese, Italian, Greek and French cuisines will help you make ethnic dishes healthier. Don't miss the recipes—they'll get you started.



30 Regional marketing

We live in a large and diverse nation. The way people live, work and eat varies from state to state, region to region, neighborhood to neighborhood. It is up to restaurateurs to translate national trends to their local audience—a challenging, but rewarding, task.

KANGAROOS
NEXT
10 km

32 You can be saucy with the spirit of Aussie

As the Australian people celebrate their nation's 200th anniversary, restaurateurs in the United States can join the fun. From adopting "nifty" decor or dress to using a bit of Aussie "lingo," there is no limit to the number of "ace" promotional ideas from the land down under.

34 No-smoking sections, no nonsense

Nonsmokers represent two-thirds of our nation's population, and they are not a group to be ignored. Recent legislation in some communities has forced restaurateurs to yield to anti-smoking sentiment. And this trend is likely to spread.

DEPARTMENTS

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- ☐ How consumers read menus

Cover photograph by Bob Severi

SHORTORDERS

Grangien wins seafood title

Executive Chef Patrick Grangien, owner of Gerard's Haute in Malletts Bay, Vermont, won the title of America's Best Seafood Chef after competing against 31 other professional chefs in the American Seafood Challenge at Historic Charles Towne Landing in Charleston, South Carolina.

The French-born chef dazzled the judges with his entree of *Fillet of Sole on a Bed of Leeks with a Coulis of Potatoes and a Potato Rose Garnish.* His winning menu also included:

☐ Marinated farm-raised Atlantic salmon with mushroom mousse with olive oil and lime dressing

☐ Crab and sea scallop stuffed with zucchini in a sea urchin sauce

☐ Cold tomato and red pepper soup with an oyster cream and

☐ Fillet of snapper in a ratatouille sauce with a garlic flan.

The menu was created from the ingredients provided in the mystery market and scored the highest points for originality, difficulty of preparation, presentation and culinary skills.

Second place went to Michael Robins, executive chef for CPC International, Inc. of Englewood Cliffs, New Jersey, for his entree of *Grilled Mackerel with Pineapple Salsa.*

In third place was Elka Gilmore, executive chef and owner of Tumbleweed Restaurant in Beverly Hills, California, who prepared *Black Bass Wrapped around Asparagus with Rosemary and Onion Marmalade.*

The annual competition is sanctioned by the American Culinary Federation, which provides professional direction, rules and judges for the event.

Happy chef Grangien was awarded $3,000 in cash and a gold medallion for winning the American Seafood Challenge.

Silver Oats to benefit the hungry

The International Foodservice Manufacturers Association (IFMA) 1987 Silver Plate Award winners have been invited to participate in the "Silver Oats" program sponsored by the Quaker Oats Company. In exchange for developing a unique breakfast recipe featuring Quaker products, the company will donate more than $500 to Second Harvest, America's food bank network, on behalf of each winner.

The Silver Plate Awards are presented annually by the International Foodservice Manufacturers Association to "Operators of the Year" in recognition of lasting and outstanding contributions to the advancement of the foodservice industry.

"Bringing together individuals who have won the highest industry honor to help those less fortunate than ourselves is, we believe, a first-of-its-kind effort and we're proud to be the corporate sponsor," said Russell L. Jones, president of the company's foodservice division, in

Restaurant design video

A do-it-yourself restaurant design kit—"How To Design A Successful Restaurant"—is available from DiLeonardo International in Warwick, Rhode Island. The kit features three 10-minute videocassettes, a 120-page workbook and a source guide to major suppliers of restaurant furnishings. Design accessories are also included.

"It's a real breakthrough in restaurant design," says Bob DiLeonardo, president of DiLeonardo International. "It was developed for the independent operator who doesn't have the budget to retain a professional designer. By watching the video, the individual operator can successfully design a restaurant using the same basic principles that top design firms use."

According to DiLeonardo, the video and the workbook cover every aspect of successful restaurant design from establishing a theme to preparing a floor plan and using color to influence customer behavior. Other topics include lighting, budgeting, acoustics, selecting furniture and fixtures and avoiding installation problems.

The cost is $495.

For further information, call Diane Capece at DiLeonardo International, 1-800-556-7408.

Call out for side dishes from America's inns

Attention owners, operators and chefs of inns. Here's a contest just for you. Create an award-winning side dish recipe in the UNCLE BEN'S Inn-to-Inn Recipe Contest, and you can win a nine-day trip for two to Rome—complete with airfare, ground transportation, lodging, cooking classes at Lo Scaldavivande Cooking School and $1,000. In addition to this grand prize, four winners will each receive a three-piece set of French copper cookware, valued at $325. Prize winners will also receive national attention in an ad in *Food and Wine* magazine.

Recipes may be entered in four categories: 1) UNCLE BEN'S Rice side dishes, 2) potato side dishes, 3) pasta side dishes and 4) other carbohydrate or vegetable side dishes. Each entry must serve 12 and must include the name of an entree with which it would be served at the inn. Entries must be postmarked by June 30 and received by July 15, 1988.

For complete contest rules, send name and address to Contest Rules, UNCLE BEN'S Inn-to-Inn Recipe Contest, P.O. Box 11166, Chicago, IL 60611.

Silver Plate winners have been invited to donate their creativity on behalf of the hungry. Top row: John Pence, Kansas State University; Walter Staibe, Omni Hotels; John E. Tobe, Jerrico, Inc.; Paul Deignan, United and Childrens Hospitals, St. Paul; Neil Reyer, Chemical Bank.

Front row from left: Joseph Baum, Joseph Baum & Michael Whitman Co., Inc.; Frances Carr Parker, Kinston City Schools; Stephen Elmont, Creative Gourmets, Ltd.; James Maynard, Investors Management Corp.

making the announcement.

The "Silver Oats" menu of unique recipes will debut on Sunday, May 22, during the National Restaurant Association Show at a private breakfast held in Tiffany's (jeweler) on Chicago's Michigan Avenue.

The "Silver Oats" menu will then be featured at a series of industry trade shows in 1988/89.

Second Harvest, incorporated in 1979, is the nation's largest nongovernmental supplier of food assistance in the United States. Second Harvest solicits surplus food and grocery products from America's food industry and distributes these donations to a nationwide network of food banks. The food banks in turn distribute the food to soup kitchens, day care centers, senior centers, church pantries and other feeding programs for the needy. In 1986 alone, approximately 350 million pounds of food, valued at $500 million, were distributed to 38,000 local charitable feeding programs.

Educational foundation update

Recognizing foodservice leaders

Industry-wide recognition will be given to five hospitality/foodservice leaders who will be inducted into the College of Diplomates of the Educational Foundation of the National Restaurant Association for their important contributions to education at the second annual "Salute to Excellence" dinner, Tuesday, May 24, at the Chicago Hilton and Tower, during the National Restaurant Convention. They are:

□ Roger W. Coleman, president, Rykoff-Sexton, Inc., Los Angeles, California

□ Thad A. Eure, Jr., president, The Angus Barn, Raleigh, North Carolina

□ Richard J. Hauer, executive director, Educational Foundation of the National Restaurant Association, Chicago, Illinois

□ Joe R. Lee, president, General Mills Restaurant Group, Inc., Orlando, Florida

□ Jack E. Miller, department chairman, Hotel, Restaurant & Institutional Technology, St. Louis Community College at Forest Park, St. Louis, Missouri

Attendance at the dinner is on an invitation-only basis.

New home-study courses

Six hospitality management courses formerly offered by the New York State College of Agriculture and Life Sciences at Cornell University are now available for home study through the association's educational foundation.

Courses currently included in the series are *Effective Communication, Managing People, Restaurant Operations and Control, Restaurant Purchasing, Bar and Beverage Management* and *Helping Employees Grow.* Two additional courses are nearing completion: *Service: Managing the Guest Experience* and *Restaurant Security.*

For more information, contact the Educational Foundation of the National Restaurant Association, 20 N. Wacker Dr., Suite 2620, Chicago, IL 60606, (312) 782-1703. The price of each course is $50, which includes textbook, study guide, individual grading of assignments by an instructor, a final exam and a certificate of completion.

Foundation board elects Wood, Farquharson

Two new trustees have been elected to the educational foundation's board of trustees. They are:

□ John R. Farquharson, president of ARASERVE, a division of ARA Services, Inc., in Philadelphia, Pennsylvania, and

□ Robert S. Wood, Sr., executive vice president and chief operating officer, Bob Evans Farms, Inc., in Columbus, Ohio.

Foundation awards $225,550 to 178 students, teachers

To meet the industry's current and projected needs for properly trained and educated managers, 178 management students and teachers were awarded $225,550 in scholarships, fellowships and grants by the educational foundation for the 1987-1988 academic year.

The foundation-administered awards are funded by the International Foodservice Manufacturers Association; the H.J. Heinz Company; Joseph E. Seagram & Sons, Inc.; Griffith Laboratories USA; Artex International, Inc.; Harman Management Corporation; National Restaurant Association; Chicago Foodservice Marketing Club; National Association of Food Equipment Manufacturers; Pizza Inn, Inc.; and Anderson Clayton Foods, Inc.

Winners of the annual awards are selected on a national competitive basis by the Scholarship Committee, consisting of leading educators and foodservice industry executives who volunteer their services.

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1988

WASHINGTON REPORT

Labor panel approves minimum wage hike

Despite strong industry opposition and heated committee debate, the House Education & Labor Committee signed off on H.R. 1834, voting along party lines to increase the minimum wage to $5.05 by 1992. Thanks to intensive grassroots lobbying by restaurateur constituents, committee members included in the bill a plan to increase the current 40 percent tip credit to 50 percent over the next two years.

The National Restaurant Association continues to adamantly oppose the wage hikes proposed in the bill. It is working to convince members of the U.S. House to vote against the high wage rates when H.R. 1834 reaches the House floor in mid-April, and it is lobbying to retain provisions to increase the tip credit.

Tip credit would grow

In a critical victory for the industry, the committee gave strong support to the tip credit amendment offered by U.S. Rep. Tommy Robinson (D-AR), voting 20-13 to raise the tip credit to 45 percent in 1989 and to 50 percent in 1990. The vote was the culmination of weeks of lobbying in Washington and at the grassroots level across the country by restaurateurs, state restaurant association executives and the National Restaurant Association government affairs staff.

Committee members were apparently convinced that Congress needed to address inconsistencies between tax and labor law in regard to tip income. Robinson noted that the tax treatment of tips has changed dramatically since Congress last took up the minimum wage issue in 1977. "As a result of these changes, the Internal Revenue Service treats tips as if they were wages, while tips are only partially counted as wages under the Fair Labor Standards Act (FLSA). My amendment will correct this inconsistency between the tax code and FLSA," he said.

U.S. Rep. Tommy Robinson (D-AR), member of the House Education & Labor Committee, successfully sponsored an amendment during committee markup to raise the tip credit.

Committee adds fourth-year wage increase

As approved by the Education & Labor Committee, the minimum wage would move to $3.85 on January 1, 1989; to $4.25 in 1990; to $4.65 in 1991 and to $5.05 in 1992. The fourth-year increase, sponsored by Rep. Chris Perkins (D-KY) and approved on an 18-14 vote, was added to the bill during the committee's first markup session on March 10.

Perkins's action was apparently an attempt to compensate for earlier action by the labor standards subcommittee, which eliminated the bill's indexing provisions—a clause that would have made future wage hikes automatically tied to the inflation rate. All Republicans on the committee voted against the Perkins amendment, as did Democrats Austin Murphy (PA) and Tim Penny (MN).

Observers also say the addition of the top rate was a political ploy to give minimum wage proponents a bargaining chip in future negotiations and to make the bill's original top rate—$4.65 in 1991—seem more acceptable. Most predict that the Perkins amendment will be dropped when the bill reaches the House floor.

Polygraph bill passes Senate

Following the House of Representatives' lead, the U.S. Senate passed a polygraph bill on March 3 by a 69-27 vote. Unlike the House version, which bans all private-sector polygraph use, the more moderate Senate bill (S. 1904) prohibits only preemployment lie detector testing. It allows employers to use polygraph tests when investigating specific incidents of workplace crime.

The National Restaurant Association joined other business groups in backing S. 1904, realizing that in the absence of this "incident-specific" alternative, a complete ban on polygraph use is likely. The association adamantly opposed the House bill, passed last November, which severely restricts an employer's ability to control employee theft, a serious problem in many foodservice establishments.

During the heated three-day Senate debate, many senators leveled their criticism at "15-minute quickie polygraphs" used to screen potential employees, arguing that carelessly administered polygraph tests cannot reliably predict future job performance. Employers who use lie detectors in hiring, said senators, should turn instead to more thorough interviews and to resume and reference-checking. An estimated 2 million lie detector tests are administered annually, mostly to screen job applicants.

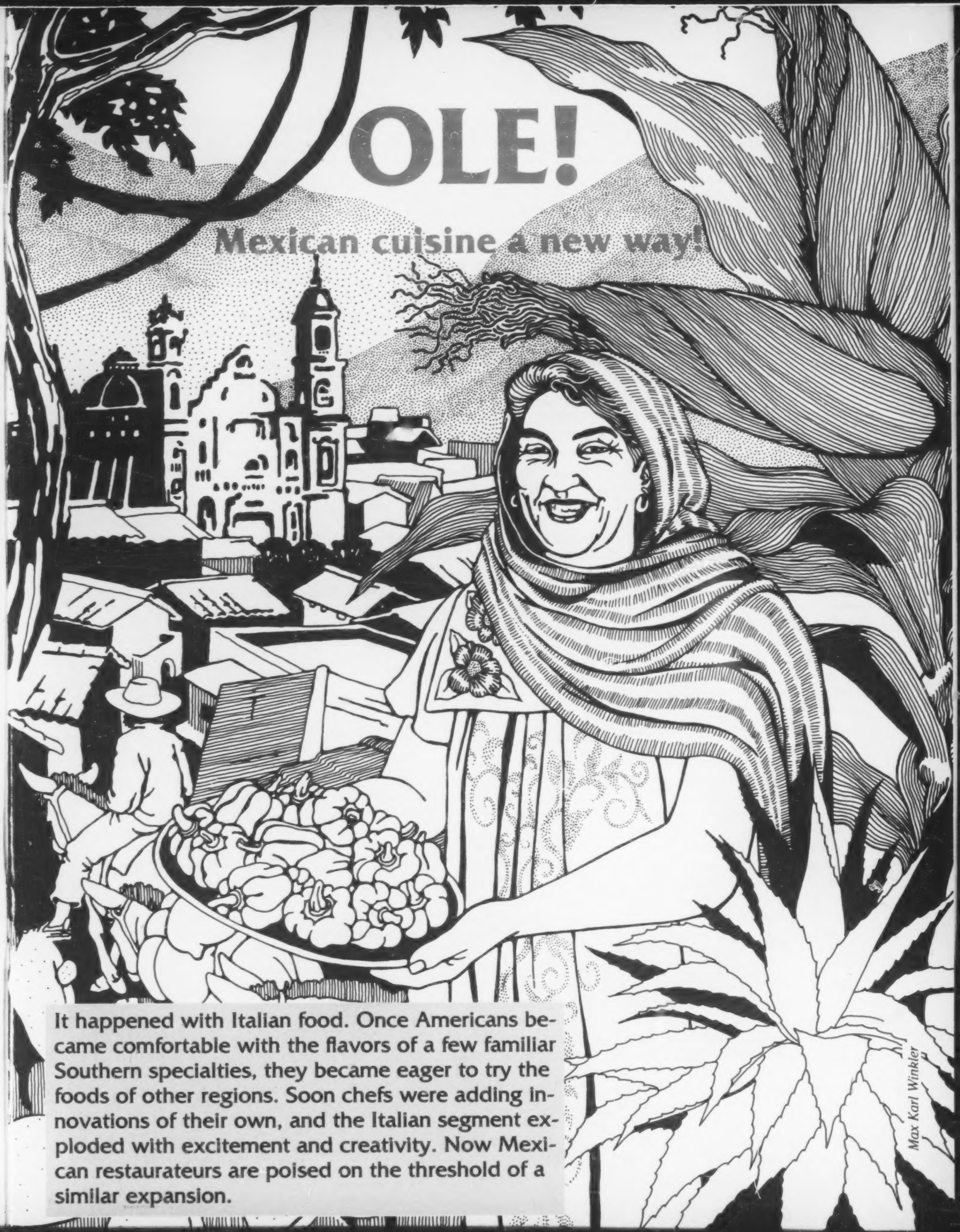
Sen. Orrin Hatch (R-UT), a leading sponsor of S. 1904, called the Senate bill "a carefully crafted compromise" that recognizes the rights of both employees and employers. Under the bill, employers who reasonably suspect that a worker was involved in a workplace crime may ask the employee to take a lie detector test. Employees who refused to take the test could not be fired or reprimanded unless the employer could produce additional supporting evidence for the disciplinary action.

S. 1904 also establishes minimum national standards for testing procedures and for the qualifications of polygraph examiners. The bill would not preempt stricter state laws.

The House and Senate bills will be referred to a conference committee, which will reconcile the differing provisions of the two bills. Association lobbyists have begun urging House and Senate conferees to support the Senate version. The word from the Justice Department is that President Reagan would veto a complete polygraph ban, but he might sign a limited ban like that proposed by the Senate. *—Denise Roach*

OLE!

Mexican cuisine a new way!



Max Karl Winkler

It happened with Italian food. Once Americans became comfortable with the flavors of a few familiar Southern specialties, they became eager to try the foods of other regions. Soon chefs were adding innovations of their own, and the Italian segment exploded with excitement and creativity. Now Mexican restaurateurs are poised on the threshold of a similar expansion.

Americans today are accustomed to Mexican foods, and they are willing to try unfamiliar Mexican dishes and even new twists to old favorites. As a result, the Mexican restaurant business is expanding to embrace the authentic flavors and ingredients of its rich cuisine, and chefs continue to create new hybrids adapted to the seasonal products of their regions. At the same time, Mexican fast food operators are seeing an interest on the part of their customers for more sophisticated menu items and are responding with more chicken and seafood as well as the increasingly popular fajitas.

The decor of Mexican restaurants is also changing. Designers are trying to evoke the colors and feeling of the Mexican landscape or are focusing on the spirit of the Mexican people. One thing that has not changed, however, is that customers still gravitate to Mexican restaurants for their perceived value and upbeat atmosphere.

Mexican food becomes more authentic

After growing up in Spain and working as an interior designer in Mexico for 25 years, Josefina Howard moved to the United States. "I tried Mexican restaurants time after time, and although the food was very good, it was not exactly as it is in Mexico. I was desperate to have authentic Mexican food," says Howard. The result is that Howard opened her own restaurants—first La Fogata in 1981 and then in 1984 Rosa Mexicano (96 seats), which means Mexican pink, in midtown Manhattan. "It is second only to Chinese," says Howard, noting the Spanish, French, Austrian, German and Italian influences on Mexican cuisine. "There are also Chinese influences from the Pacific trade and a rich U.S. influence along the long U.S. border."

Howard's attempts to bring the variety of Mexican cuisine to America met with success as customers queued up to taste such dishes as chunky guacamole prepared tableside with fresh coriander, onions, tomatoes and dried hot peppers; poblano chile mousse; and roasted jalapenos stuffed with sardines.

Although Howard is the doyenne of the upscale end of the Mexican market, others are entering the field. Two newcomers are Rick and Deann Bayless, owners of Frontera Grill (64 seats) in Chicago. No strangers to Mexico and its cuisine, the Baylesses have written a cookbook on specialties from the many regions of Mexico called *Authentic Mexican* (1987), hosted a PBS special on Mexican cooking and even taught cooking classes. A year ago, however, they put their dream to the test by opening Frontera Grill, and the response has been positive: The restaurant was an instant hit. "We do a lot of the recipes from the book here," explains Rick Bayless, the restaurant's chef. The menu includes traditional renditions of Mexican dishes, along with a number of variations by the Baylesses, who have added their own culinary touch.

Americans take time to adjust

Although the American public is very adventurous, it takes some skill and luck to introduce a new cuisine to unfamiliar diners. Rick Debler, owner of the 200-seat Villa Las Palomas in Orlando, Florida, also dreamed of bringing authentic Mexican cuisine to the United States. "My family has been in the restaurant business for 25 years, owning the San Angel Inn in Mexico City, a landmark 17th century hacienda which has thrived on the artistic heritage of Mexican cuisine," tells Debler. The Debler family was asked to come to Orlando to run the Mexican fast food concession at Epcot Center. At the same time, Debler wanted to introduce a truer experience of his country's cuisine, so he opened Villa Las Palomas in downtown Orlando. "At the Disney World operation, with astronomical volumes, we cannot reproduce the service and food we do at Villa Las Palomas," Debler explains.

The attempt has not been without its difficulties. "We have been very oriented to authenticity. We have formal service—the waiters are from Mexico City—very much in the European fashion. And the menu includes lobster from Baja, red snapper from the Gulf and pork dishes from the Yucatan Peninsula. True Mexican cuisines are very rich in spices. And there is a great variety in Mexican regional foods. It is as good as any European cuisine. The difficulty has been that in Orlando there is a relatively conservative population that is not as adventurous as people might be in New York, Los Angeles and Chicago. So we have not done as well as we would have liked."

Not ready to give up, however, Debler has added mariachi entertainment and is working with the tourism department to attract out-of-towners by tying in with conventions and business meetings. At the same time, Debler is adapting, adding some menu items a little more familiar to Americans, such as a separate menu selection of Tex-Mex specialties. "It is a discovery process. You cannot go all out on unique dishes. You have to compromise somewhere in between," notes Debler.

Overcoming customer unfamiliarity

Debler works hard at getting first-time diners to sample his unique dishes. "You have to educate your customers," explains Debler.

Josefina Howard agrees that the different flavorings in authentic Mexican foods can come as a surprise to customers. "At first I had enchiladas listed at the top of the menu," notes Howard. "I noticed that I was doing most of my business in enchiladas. People were not looking further down the menu. It was the only word they knew, so they ordered enchiladas. When they got their order, however, they would say, 'This is not what I ordered,' because the sauce was more heavily spiced than they were accustomed to." Howard decided to move the enchilada items down to the middle of her menu to encourage diners to read through some of the more unusual dishes first. "And now when someone orders an enchilada, we ask: 'Have you ever ordered an enchilada before?' Then, 'Have you ordered one at this restaurant?' If they have not, we offer to bring out some of the sauce. We let them sample it and then decide if they want to order the dish." Similarly, Howard tries to get a table of four to sample four different dishes to expand their familiarity with the cuisine.

This type of sensitivity to customers

extends to order exchanges. "If customers do not like a dish, we will take it back," says Howard. "For example, some dishes are made with a lot of coriander, which some people do not like. If the customer does not like the dish, I will take it back and get them something they do like."

Unlike Josefina Howard and Rick Debler, the Baylesses did not have to overcome an unfamiliarity with the foods they serve. "The Chicago press were all over us, and wrote a lot about the authentic Mexican foods we serve. So, when people came, they had already read about us and were expecting something different," explains Bayless.

Bayless took a middle-of-the-road approach, trying to make sure 25 to 30 percent of the items on the menu were recognizable. "I wanted to be careful to put things on the menu—like crisp fried tacos with guacamole and a drizzle of sour cream—to bridge the gap for customers. But I wanted it to be the best, highest quality they had ever had," finishes Bayless. "The tortillas are homemade, served fresh and piping hot. With the smaller, manageable size restaurant, we can pay extra attention to these details." Despite the concession to recognizable items, Bayless is happy to report that after a year, the restaurant's most well-known dishes are its rack of lamb, squab and quail.

Eighteen to 22 percent of the restaurant's business comes from small dishes. "Some of these are served on platters, and are best put in the middle of the table for everyone to share and enjoy," says Bayless.

One of the popular smaller entrees is Taco el Carbon, marinated meat, fowl and fish cooked over a hardwood fire, sliced and served in a thick bean soup.

Interpreting Mexican foods creates new hybrids

The most famous Mexican hybrid is the Tex-Mex combination, which has swept across the country in recent years, but that is not the only attempt to interpret the tastes of Mexico. At Rich Melman's newest restaurant—Hat Dance (185 seats) in Chicago, the menu blends Mexican cookery with "new approaches and twists, creating food that is full of surprises," says Dawn Reithel, director of marketing for Lettuce Entertain You Enterprises. "The restaurant appeals to the customer with sophisticated taste who delights in the unexpected." The menu includes smoked chicken, wild rice tamales, grilled fish and seafood, wood-roasted chicken, crabmeat quesadillas, a separate seviche bar and three different kinds of margaritas. There are some Japanese touches to the menu, such as sashimi at the bar and two Japanese beers.

The 156-seat Corona Bar & Grill in San Francisco, located just two blocks from Union Square, combines the traditional flavors and ingredients of Mexico with the fresh foods available in California. Operated by Bill Kimpton, who has already successfully paired moderately priced hotel rooms in downtown San Francisco with highly acclaimed restaurants (Masa's, Bentley, Kuleto), the Corona Bar & Grill thrives on its upbeat atmosphere and distinctive food.

Executive Chef Robert B. Helstrom took on the challenge of creating the Corona's menu, blending traditional Mexican flavors and ingredients with fresh, seasonal products and California's presentation style.

"In the old Mexican restaurant, everything was deep fried or greasy," says Helstrom. "Basically, I wanted to move Mexican food up a few notches. For example, for the *Tamarind Duck* (an entree) I start with the tamarind bean pod, which Mexicans use in drinks. It has a citrus flavor and is very tart. The bean is usually soaked in water to make lemonade or ice cream, but I make a glaze with it, adding rice wine vinegar and honey. I baste the duck with the glaze. After cooking, I then deglaze the pan and make a sauce out of the juice."

The menu at Corona Bar & Grill begins with a list of eight "starters" that include such creations as spicy corn pancakes with potted shrimp, and steamed artichokes with garlic-cumin mayonnaise. The menu is then divided into "Small Plates," which include such items as shrimp and crab burrito and barbecued duck que-

Mexican restaurant growth—cooling off, but still hot

The hot Mexican market cooled in 1987. Sales and traffic counts were up just 4 percent at Mexican restaurants last year, compared to annual gains in the 6 to 12 percent range in earlier years.

Nevertheless, Mexican restaurants have outpaced overall traffic growth over the long term. Traffic counts were up 48 percent from 1982 to 1987 at Mexican restaurants. By comparison, total restaurant traffic increased 14 percent in the same five years.

Mexican restaurants were responsible for more than 10 percent of total traffic growth over the last five years, causing their share of the total restaurant market to increase. From 1982 to 1987, Mexican restaurant share of total traffic rose from 2.8 percent to 3.6 percent. Despite this growth, Mexican restaurants only hold a small portion of the overall restaurant market.

In the Mexican segment, quickservice restaurants are the growth leaders. And these restaurants are broadening their appeal to families.

Quickservice showing strongest growth

Among Mexican restaurants, quickservice has registered the strongest growth. In 1987 sales and traffic were up 7 and 5 percent, respectively. By comparison, midscale and upscale Mexican restaurants recorded traffic gains of just one percent each.

Quickservice Mexican restaurants have captured an increasing share of traffic in the Mexican restaurant market—62 percent in 1987, compared to 52 percent in 1982. In contrast, over the five-year period, midscale Mexican restaurants experienced declining traffic counts and lost market share. The market share for upscale Mexican restaurants dipped slightly, from 22 to 20 percent even though customer counts increased 38.5 percent.

Reaching new markets

An expanding customer base is responsible for much of the traffic growth at quickservice and upscale Mexican restaurants. The proportion of households eating at quickservice Mexican restaurants in an average two-week period reached 5.8 percent in 1987—up more than 50 percent from 1982. For upscale Mexican restaurants, household penetration was up 25 percent to 3.9 percent in 1987.

Percent of eater occasions using promotions at Mexican restaurants

Deal-making is on the upswing at Mexican restaurants

	1982	1986	1987
Quickservice Mexican restaurants	15.5%	16.4%	17.4%
Midscale Mexican restaurants	8.6	8.3	12.9
Upscale Mexican restaurants	7.1	12.1	14.1
All quickservice restaurants	14.6	17.1	21.9
All midscale restaurants	8.1	9.9	13.7
All upscale restaurants	7.2	9.7	12.6

Source: NPD CREST, *Household Reports*, 1982, 1986, 1987

Average check and party size at Mexican restaurants: 1982-1987

There has been moderate growth in check and party size at Mexican restaurants since 1982

	Average check size		Average party size	
	1982	1987	1982	1987
Quickservice Mexican restaurants	$ 3.69	$ 4.64	1.65	1.77
Midscale Mexican restaurants	8.26	9.54	1.86	1.94
Upscale Mexican restaurants	12.29	14.34	1.90	2.02

Source: NPD CREST, *Household Reports 1982-1987*

Quickservice promotions and takeout up

Quickservice Mexican restaurants are adapting to the changing dynamics of the quickservice market. In order to penetrate new markets as well as attract repeat diners, Mexican quickservice operators have increased their promotional offerings. The proportion of occasions on which deals were used at quickservice Mexican restaurants rose from 15.5 percent in 1982 to 17.4 percent in 1987. However, this increase has not kept pace with the overall surge in promotional activity by the quickservice industry as a whole, which jumped from 15 percent in 1982 to 22 percent in 1987.

Also, quickservice Mexican operators are emphasizing their takeout services. CREST* data shows that in 1987 less than one out of two customers at quickservice Mexican restaurants dined in the establishment.

Drive-thru use at quickservice Mexican restaurants has also increased. In 1982 less than one out of five individuals ordered from their car, but by 1987 this figure had increased to 29 percent.

Another change in quickservice Mexican restaurants is that less emphasis is being placed on snacks and more on dinnertime eating. From 1982 to 1987, the percentage of dinsadilla with poblano chile, avocado and jack cheeses; and entree-style "Large Plates," featuring such dishes as paella, rack of lamb mole and prawns steamed in Sol beer with mixed sweet peppers and angel hair pasta. According to chef Helstrom, the starters and small plates have done spectacularly, as the public continues its fascination with grazing or modular dining. In fact, the Corona Bar & Grill used the same menu for lunch and dinner when it opened in November 1987. It has since expanded its luncheon offerings to include a wider variety of lighter, quicker dishes—from a black bean and brie tostada to a warm pheasant salad. Desserts pick up the whimsical nature of the first courses; they range from a homemade ice cream wrapped in a lacy almond "taco" to a deep-fried tortilla cup filled with rich custard and fresh raspberries.

Helstrom combines resources from many cultures to create his dishes—both in cooking styles and ingredients. It is not uncommon to find Asian shiitake mushrooms, Italian radicchio, and French roquefort cheese in some of his interpretive dishes.

More sophisticated midscale, quickservice menus

Even in the more traditional American-Mexican restaurants, operators note that customers are becoming increasingly sophisticated in their choices, ordering more chicken and seafood dishes. "People are realizing Mexican food has a lot more to offer," says James C. Martine, president of the 450-seat Pedro's Mexican Restaurante and three Amigos Mexican Restaurante fast food units in Madison, Wisconsin (54 seats each). Martine notes the increased popularity of seafood over the last 18 months. For example, he added shrimp fajitas six months ago, to complement Pedro's crabmeat enchiladas, haddock chimichangas, shrimp and mushroom enchiladas, chicken fajitas, chicken burritos and chicken taco salads.

Even in the fast food segment, operators are seeing a willingness on the part of customers to pay a little more for good food that is a bit more un-

Mexican restaurant traffic pattern: 1982-1987

Traffic growth is slowing at all types of Mexican restaurants

	Percent change in traffic				
	1982/83	**1983/84**	**1984/85**	**1985/86**	**1986/87**
Total Mexican restaurants	10.3%	9.1%	5.7%	12.1%	3.6%
Quickservice Mexican restaurants	16.2	13.5	7.1	18.1	5.2
Midscale Mexican restaurants	−4.1	−8.0	1.5	10.5	1.0
Upscale Mexican restaurants	13.3	15.6	5.9	−1.2	1.1

Source: NPD CREST, *Household Reports, 1982, 1987*

ner occasions increased to 44 percent from 40 percent, while the percentage of snack occasions declined from 9 percent to 6 percent.

Dinner gains at midscale, upscale establishments

Midscale and upscale Mexican restaurant operators have increased their usage of promotions as well. From 1982 to 1987, the percent of occasions on which deals were used at midscale Mexican restaurants rose from 9 to 13 percent. At upscale establishments deal occasions doubled from 7 to 14 percent.

Midscale and upscale Mexican restaurants have yet to ride the takeout wave. In 1987, nine out of 10 customers at midscale and upscale Mexican restaurants dined in the establishment. Given the rapidly growing off-premises market, it seems likely that midscale and upscale Mexican restaurants will expand into takeout.

Dinner has grown more popular at midscale and upscale Mexican restaurants. From 1982 to 1987, dinner occasions at midscale and upscale Mexican restaurants rose from 56 and 62 percent to 59 and 66 percent, respectively.

Family appeal

Mexican restaurants are gaining in popularity with family groups, especially those consisting of adults with children under 12. This trend reflects the fact that many members of the baby boom generation have started families.

Mexican food: served elsewhere

Non-Mexican restaurants have added Mexican food as both entree and appetizer items to cash in on the Mexican food craze. Also, Mexican restaurants have diversified to add new items to the menu. These new items are often served as traditional meals prepared with a Mexican twist.

In 1982 Mexican food was consumed on 89 percent of eater occasions at Mexican quickservice restaurants. In 1987 it dropped to 84 percent; Mexican restaurant operators have diversified their offerings by adding non-Mexican food to the menu. Popular alternatives to Mexican food at quickservice Mexican restaurants include salad, sandwiches and hamburgers/cheeseburgers.

In 1982 salad was eaten on 3 percent of eater occasions at quickservice Mexican restaurants. By 1987 salad was ordered on 8 percent of occasions. The introduction of the taco salad was primarily responsible for this increase. Salad consumption at midscale and upscale Mexican restaurants rose from 1982 to 1987.

To a limited extent, chicken and beef items are also served at midscale and upscale Mexican restaurants, although the consumption of both at Mexican restaurants has not increased over the years.

In 1987, tacos remained the most enticing staple at quickservice Mexican restaurants, with 47 percent of eater occasions entailing tacos. Burritos were eaten on 34 percent of eater occasions. In contrast, enchiladas were the most popular item at midscale and upscale Mexican restaurants.

—Sebastian O'Kelly

**CREST is the acronym for Consumer Reports on Eating Share Trends, a diary survey of 12,800 households in the United States. It is designed to track expenditures and behavior in the commercial segment of the foodservice industry.*

usual. "In the fast food segment we are upscaling," notes Martine, who believes this will be the trend of the future.

Of the new menu additions last year, fajitas have been the biggest seller nationwide. For example, the 2,714-unit Taco Bell Corporation, headquartered in Irvine, California, added steak fajitas, and at the 200-unit ChiChi's based in Louisville, Kentucky, Chajitas (the name fajitas go by in the chain) represented 24 percent of sales.

At Two Pesos Mexican Cafe, a chain of 12 units in Houston, fajitas are the specialty of the house. Both beef and chicken fajitas are marinated in 26 special spices, freshly grilled and served on a sizzling platter with grilled onions, guacamole, pico de gallo and handmade flour tortillas. In fact, this trend is not confined to Mexican restaurants. Last month the 900-plus Jack in the Box restaurants introduced a chicken fajita pita—a marinated chicken breast served in pita "pocket" bread with grilled onions, leaf lettuce, shredded iceberg lettuce, shredded cheddar cheese and chopped tomatoes.

Breakfast selections at Two Pesos are also popular, and they include tacos, migas—a Mexican omelet made with a blend of eggs, chorizo, onions, tomatoes, peppers and bits of corn tortilla—as well as the more traditional huevos rancheros.

Another growth area for Mexican fast food restaurant operators is desserts—from fried ice cream to deep fried dough with cinnamon, sugar and honey—and the sale of margaritas and beer.

Fast food operators are also classing up their decor and service. Outdoor and indoor patios are increasingly popular, and many operations are open 24 hours each day. Several have even added drive-thru service.

In sum

Mexican restaurants are becoming more diversified as upscale establishments strive for greater authenticity and fast food restaurants experiment with higher quality ingredients and more unusual offerings. ☐

—Kathy Boyle

Mexican restaurant decor

from exaggerated to subdued

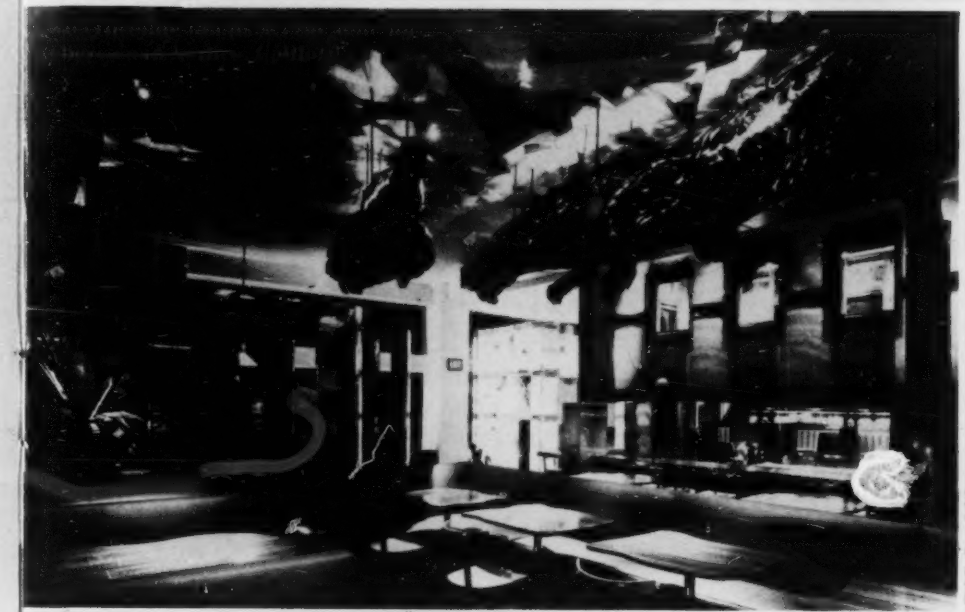
As the move toward authentic tastes and flavors increases in Mexican establishments, so does the desire to capture the full range of Mexican culture in design. Some restaurateurs are highlighting the country's folkloric whimsy while others focus on its landscape colors.

It's strictly decor as spectacle at two of the most exaggeratedly conceived Mexican restaurants in the United States—Rebecca's in Venice, California, and the Mexican theme restaurant Cadillac Bar, located in New York, Houston and Dallas.

Architect Frank Gehry set the tone for the 160-seat Rebecca's with its two crocodile lamps; an octopus-shaped chandelier with 30,000 red, orange and white glass beads; blue granite table tops, aquamarine booths, cobalt blue tiles, black-lighting coming from behind orange and green stone panels and a not-to-be-missed 40-foot mural by artist Peter Alexander. Complementing the visual extravagance is contemporary Latin music and an exhibition kitchen, serving authentic Mexican cuisine with prime cuts of beef and homemade corn tortillas.

The idea behind the 1,500-seat Cadillac Bar is to "create a controlled circus," says Rex Perry, general manager of the Dallas restaurant. "You know something is going to happen, but you are not exactly sure what it is."

Aumiller Youngquist, P.C.



©Michael Moran

White-washed walls set the stage for fun at Cadillic Bar. Customers are handed magic markers on arrival to create their own artwork on walls. "The interior is multicolored graffiti," explains Perry. "And, when we know celebrities are coming, we white-wash a little section for them to decorate and sign."

Although most days the music is a pretaped mixture with Mexican selections as part of the blend, three times a week—Wednesday, Thursday and during Sunday brunch—the restaurant hires a minstrel trio. Adding to the entertainment are "shooter girls" dressed all in black with bullet bandoliers filled with shot glasses rather than bullets. They serve "slammers"—a shot glass with tequila, topped with 7-Up, which they slam down on the table with a dramatic scream or holler for emphasis. Another drink—the Mexican flag—a tricolor drink (green, red and white like the Mexican flag)—is served flaming by a brigade of waiters for birthdays and other special occasions.

Last year for the holiday Cinco de Mayo (fifth of May), the Dallas Cadillac Bar featured a Chili Con Queso Wrestle-off. Body-building women wrestled in a vat of chile on behalf of muscular dystrophy. The celebration also included a fajita cookout, a beauty contest, a live radio broadcast from the restaurant and donations from restaurant purveyors of T-shirts and balloons.

It's not all show, Perry is quick to add. "The excellent food and the excellent drinks are why people come to us." Perry cites the high-quality cuts of meat the restaurant uses in its fajitas and the 50 cases of fresh limes it buys each week to hand-squeeze for its margaritas.

Much less exaggerated is the decor at the fast food chain Two Pesos. "Witty and raffish" is how *The Houston Post* described the restaurant's decor, which it said plays a major role in the restaurant's success. The color scheme is tropical turquoise and hot pink (including walls and neon). Turquoise and red vinyl chairs surround enamel-topped tables emblazoned with logos for Tecate or Carta Blanca beer. Mexican-inspired art and pottery add evocative touches, and the patio, set off by a garage-door glass partition to the restaurant's second of two dining rooms, is the irresistible final touch.

At the other end of the spectrum are softer settings, playing off the landscape and natural features of the Mexican countryside. At the Corona Bar & Grill in San Francisco, the decor is based on warm, coastal, sunset imagery. The colors are raspberry, teal and sunset pink, and the walls are decorated with Mexican masks (30 to 100 years old), artifacts and weavings, and lighting sconces shaped like the setting sun.

"I wanted the Corona Bar & Grill to evoke that magical, rosy-peach glow of the Mexican sunset over the Pacific," explains designer Pat Kuleto, also known for designing the Fog City Diner. "It's an almost surrealistic moment before the sun sinks into the ocean . . . a glow that spreads to people and makes them feel warm, comfortable and ready to have fun."

Rosy hues also set the tone for Manhattan's Rosa Mexicana, which appropriately translates into "Mexican pink." The decor is restrained. White stucco walls are accented by the pastel lighting and by pink, mauve and terracotta ceramic tiles, folklore pottery and a changing floral display.

The setting at Frontera Grill in Chicago is starker. The decor is opposite of what customers would expect, says co-owner Rick Bayless—understated. The restaurant is housed in a building built in 1893. The floors are made of original, old-fashioned, painstakingly installed white diagonal tiles, reminiscent of eateries in Mexico City. The tables are oak-topped, the napkins are linen and the walls are painted in the distinctive colors of Southern Mexico—a cream gold on top of the wainscoting and a rust below. "The decor has a strong feel of Mexico," says Bayless, which is highlighted by the folk art he and his wife collected on their travels through the country. ☐

Enriching ethnic edibles

Pasta, olive oil, tortillas, seaweed and bean curd. These ethnic staples get high marks from the nutrition-conscious. But foreign specialties, such as tempura, refried beans, brie cheese and spaghetti alla carbonara, get low marks because of their high-fat content. Here are a few ways you can feature six popular ethnic cuisines to make the most of their nutrition pluses.

Mexican food

Overall, the Mexican diet would benefit from less lard, fewer sweet snacks and carbonated beverages and an increase in dairy products, enriched flour, vegetables and fruit.

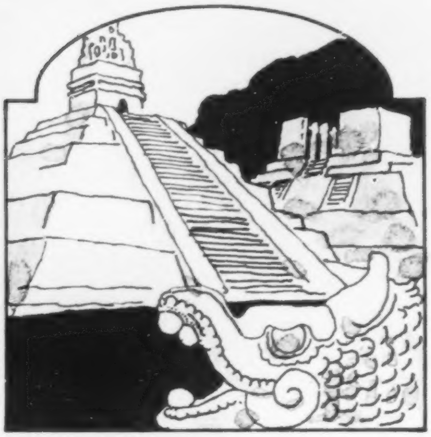
Traditional staples of the Mexican diet include corn, beans, chili peppers and tomatoes, which have nutritional merit. Beans, eaten with rice or corn tortillas, make a significant protein contribution.

Other healthful protein selections easy to feature on a restaurant menu include seviche (fish marinated in lime juice), marinated or well-seasoned meats and chicken dishes (cooked without skin) served with nonfried or soft tortillas.

Dairy products are conspicuously absent from the Mexican diet except for cheese dishes like flan, desserts like ice cream and toppings like sour cream or yogurt. As a result, calcium is often inadequate in a Mexican diet and should be supplemented.

Mexicans tend to limit their vegetable selection to chilis, corn, tomatoes and potatoes, which supply vitamins A and C, but few of the B vitamins contributed by green vegetables. These can be added to the menu. Lettuce and salsa are excellent low-fat garnishes.

Few fruits are eaten by Mexicans, but they have a sweet tooth for pan dulce (sweet cake), cookies, sweet rolls and sweetened beverages. Lard, a contributor of saturated fat, is used extensively in cooking, especially in refried beans and to fry tortillas.



These habits can be changed in a restaurant kitchen.

Finally, rice cooked without oil is an ideal low-fat, complex-carbohydrate accompaniment to most Mexican entrees.

Chinese food

It is often said that Chinese food leaves people hungry an hour or two after the meal. This complaint is partly legitimate due to the low-fat content of Chinese food. The Chinese diet derives about 20 percent of its calories from fat, compared with almost 40 percent in the U.S. diet. Grains, rice and wheat are dietary staples, and such popular cooking methods as stir-fry and fire pots require little or no fat. Alcohol is rarely served with a Chinese meal, and desserts, limited to pastries, are reserved for special occasions.

Despite its virtues, the diet falls short in a few areas. Lack of dairy products and limited meat intake result in low levels of calcium and iron. The Chinese reliance on sauces and pickled and fermented foods significantly drives up their sodium intake to dangerous levels. The sodium content can be controlled by eliminating MSG and restricting sauce use.

When preparing Chinese dishes, be authentic; follow the culinary tradition of limiting the basic sauces (oyster, hoisin, soy, black bean) to a tablespoon. A variety of spices and seasonings indigenous to Chinese cooking will compensate for any loss of flavor. Feature chicken, fish, tofu and vegetable dishes steamed, stir-fried or cooked in fire pots. Steamed rice is preferred over the fried variety.

Japanese food

Although heavily influenced by its neighbors, traditional Japanese cuisine differs in many aspects from the Chinese culinary repertoire. Japanese cooks tend to focus on individual ingredients, downplaying blends of spices, herbs and flavors. In the same vein, their cooking methods are quick and precise.

Dietary staples in Japan include low-fat foods, such as fish, vegetables, soy products, noodles, rice and light desserts (fruit-juice jellies and iced red bean curd). Japan's extremely low incidence of heart disease is attributed to these foods as well as to the limited use of animal fats. Conversely, stroke, high blood pressure and stomach cancer are major health problems for the Japanese and have been linked to their heavy consumption of salty (soy sauce, pickled vegetables) and smoked foods. Milk and dairy products are not an important part of the Japanese diet, but the calcium intake is adequate due to consumption of softened fish bones and dark-green leafy vegetables. It has been said that without the smoked and salty foods the traditional Japanese diet is probably the healthiest in the world.

It is difficult to go wrong when serving healthful Japanese foods. Steamed fish, clear soups, sukiyaki, fresh vegetables, tofu (nonfried) are all nutrition winners. Sushi also falls into this category; but to avoid parasitic infection, care should be taken to use fish that has been blast-frozen for at least 15 hours. Avoid tempura (introduced to Japan by the Portuguese), which is fried in oil and uncharacteristically high in fat. Limit salty foods, such as miso, soy sauce and pickled vegetables.

Italian food

The line that distinguishes the culinary differences of North and South Italy also serves as a demarcation for their nutritional differences. Northern Italian cooking is characterized by the nickname for the geographic location—Emilia la grassa or the fat region. Northerners favor cream sauces, butter as their primary cooking fat, eggs in their pasta and large amounts of beef, veal and chicken. Italians from the Southern region, on the other hand, use twice as much fish and less beef, veal and chicken. Southerners also consume more high-carbohydrate, low-fat foods in the form of pasta (made without eggs), bread, fruits and vegetables. Tomato-based pasta sauces are preferred over the cream variety, and olive oil, a source of monounsaturated fat, is both the primary cooking fat and the favored spread for bread.

Although Italians have lower rates of heart disease than do Americans, the difference between Northern and Southern Italians is significant. The lower rate among Southerners is attributed not only to their lower-fat diet, but also to their increased consumption of olive oil, a monosaturated fat that seems to be especially effective in reducing dangerously high blood cholesterol levels.

Restaurateurs interested in offering healthful Italian cuisine would be wise to follow the food habits of Southern Italians. But, it's important to go easy on olive oil. Despite its cholesterol-controlling virtues, olive oil has the same caloric value as other cooking fats and oils—about 120 calories per tablespoon.

Greek food

Like their southern Italian neighbors, Greeks rely heavily on olive oil in cooking, which, when combined with their limited intake of lamb and chicken, contributes to a low incidence of heart disease. Other Greek dietary staples include bread, olives, legumes, nuts and fruits. Fish, such as squid, cod, cuttlefish, mussels and octopus, is well represented in the Greek diet. Yogurt and feta cheese are used extensively. Although Greeks favor fresh fruit, they also have an affinity for very sweet desserts, such as honey-glazed pastries and fried, sweet fritters.

Overall, the Greek diet is well rounded, yet foodservice operators should be aware of some of the downfalls of Greek cuisine. Phyllo crusts—layers of buttered, paper-thin sheets of pastry, are high in fat and calories. Although feta cheese is slightly lower in calories than other cheeses (75 calories per ounce vs. 100-120 calories), 72 percent of the calories are from fat that is mainly saturated. Like most cheeses, feta is high in sodium, with 316 mg. per ounce. Good choices for a health-conscious Greek menu include lentil or fish soup, stuffed grape leaves (meatless), cucumber salad, souvlaki or psari souvlaki (skewered fish and vegetables), chicken with yogurt (use low fat), stewed or baked fish dishes and fresh fruit for dessert.

French food

To the French, food is an important part of their lifestyle. Meal periods tend to be relaxed and enjoyable, and food preparation symbolic of love and accomplishment. The French have a well-rounded diet, incorporating a variety of foods. Despite their love for high-fat cheese, pates, sausages and rich sauces and desserts, their death rate from heart disease is

VEAL SCALLOPS WITH PROSCIUTTO AND MOZZARELLA

When a normally skinny veal scallop is dipped in egg, bread crumbs and flour and bathed in fat, its calorie index jumps about 150 points higher. Here is an attempt to capture the flavor of breaded, sauteed veal without the excess calories.

Ingredients:
2 lbs. veal scallops, pounded thin
Lemon juice
½ tspn. salt
Freshly ground pepper to taste
8 paper-thin slices prosciutto
4 ozs. part-skim mozzarella cheese, grated or torn
1 egg white
1 Tbs. milk
½ cup plus 2 Tbs. dried bread crumbs
1 Tbs. vegetable oil
1 Tbs. butter
¼ cup beef or chicken broth
2 Tbs. Madeira or dry sherry
8 very thin lemon slices

Method:
1. Sprinkle meat with lemon juice and season lightly with salt and pepper. Lay a piece of prosciutto on each veal scallop and divide the cheese to cover each piece. Roll scallop like a jellyroll.

2. Beat together egg white and milk. Pour into saucer.

3. Spread bread crumbs on a sheet of wax paper. Roll veal first in the milk, then in the bread crumbs. Chill for 20 minutes if possible to set crumbs.

4. Heat oil and butter in a 10-inch or 12-inch skillet until bubbly. Add veal scallops, saute over medium-high heat a few at a time so they don't touch, until nicely browned, about 3-4 minutes. Return all meat to skillet, turn heat to medium low, cover, and cook the rolls another 5-7 minutes, turning often. You may need to add a bit of oil or cooking spray. Remove veal to a heated serving platter.

5. Add broth to skillet, boil until it's reduced to 2 tablespoons, add Madeira and reduce liquid to a syrupy glaze. Pour it over veal and garnish with lemon slices.

Nutrition information:
Yield: 8 servings
Calories per serving: 275
Protein per serving: 30 g
Fat per serving: 14 g
Carbohydrates per serving: 3 g
Sodium per serving: 333 mg

SEVICHE

Seviche is the Latin America cousin of Japan's sushi. Unlike sushi, which is strictly raw, seviche is prepared by marinating the fish several hours in lemon juice. This firms the flesh, turning it opaque—in essence, cooking it. As in sushi, the freshness of the fish is imperative. However, once it's marinated, seviche will keep for two to three days. Seviche makes a nice luncheon dish or first course as well as an appetizer. To give it a bit more body, add a boiled, cubed sweet potato.

Ingredients:
1½ lbs. scallops or delicate white-fleshed fish, such as sole, cut into bite-size pieces
1 cup lemon juice
1 Tbs. finely chopped Bermuda or Spanish onion
¼ green pepper, finely chopped
½ red pepper, finely chopped
½ blanched, skinned and seeded tomato, cubed
⅓ cup lime juice (about 2 limes)
2 Tbs. orange juice, freshly squeezed preferred
3 Tbs. lemon juice
Freshly ground pepper to taste
Minced fresh parsley
Lettuce

Method:
1. Marinate the seafood in the lemon juice in a nonmetallic container overnight.

2. Drain seafood, discarding marinade. Rinse with water.

3. Combine onion, green pepper, red pepper, tomato, citrus juices and fish. If desired, add the remaining halves of tomato and green pepper, also chopped. Season with pepper to taste. Garnish with a bit of parsley.

4. To serve, line individual plates or a platter with lettuce, mound mixture on top.

Nutrition information:
Yield: 10 appetizer servings
Calories: 94
Protein: 16 g
Fat: 1 g
Carbohydrates: 5 g
Sodium: 190 mg

Yield: 6 first-course servings
Calories: 157
Protein: 27 g
Fat: 2 g
Carbohydrates: 8 g
Sodium: 310 mg

JAPANESE DRESSING FOR SNOW PEAS OR BROCCOLI

An alternative to a mayonnaise dressing.

Ingredients:
4 ozs. tofu
5 Tbs. double-strength homemade chicken stock or canned consomme
1 Tbs. sesame oil
1 Tbs. walnut oil
2 Tbs. rice wine vinegar, available at Oriental or specialty food stores
1 tspn. soy sauce
1 quarter-size piece of fresh ginger, peeled and minced

Method:
Combine all the ingredients in a food processor or blender and blend. Chill.

Nutrition information:
Yield: 1 cup
Calories per tablespoon: 21
Protein per tablespoon: trace
Fat per teaspoon: 2 g
Carbohydrates per tablespoon: trace
Sodium per tablespoon: 12 mg

only a third of that in the United States. Luckily, the French acknowledge a variety of cooking methods and utilize many vegetables, fruits, spices and seasonings in their culinary techniques. Thus, although healthier French menu selections may not be considered "classics," they can be authentic. Poached fish with a vegetable coulis, bouillabaisse Marseillaise, braised chicken or grilled duck with the skin and fat removed prior to cooking are suitable entrees. Salads with vinaigrette dressing (served on the side), consomme, fresh tomato sherbet or aromatic vegetables would be good healthful appetizers. Plain French bread is a better offering than brioche made with eggs and butter, and sorbet or fresh sliced strawberries served in a baked meringue shell appeal to the health-conscious over mousses, pastries or rich cakes.

—Claire Regan, R.D.

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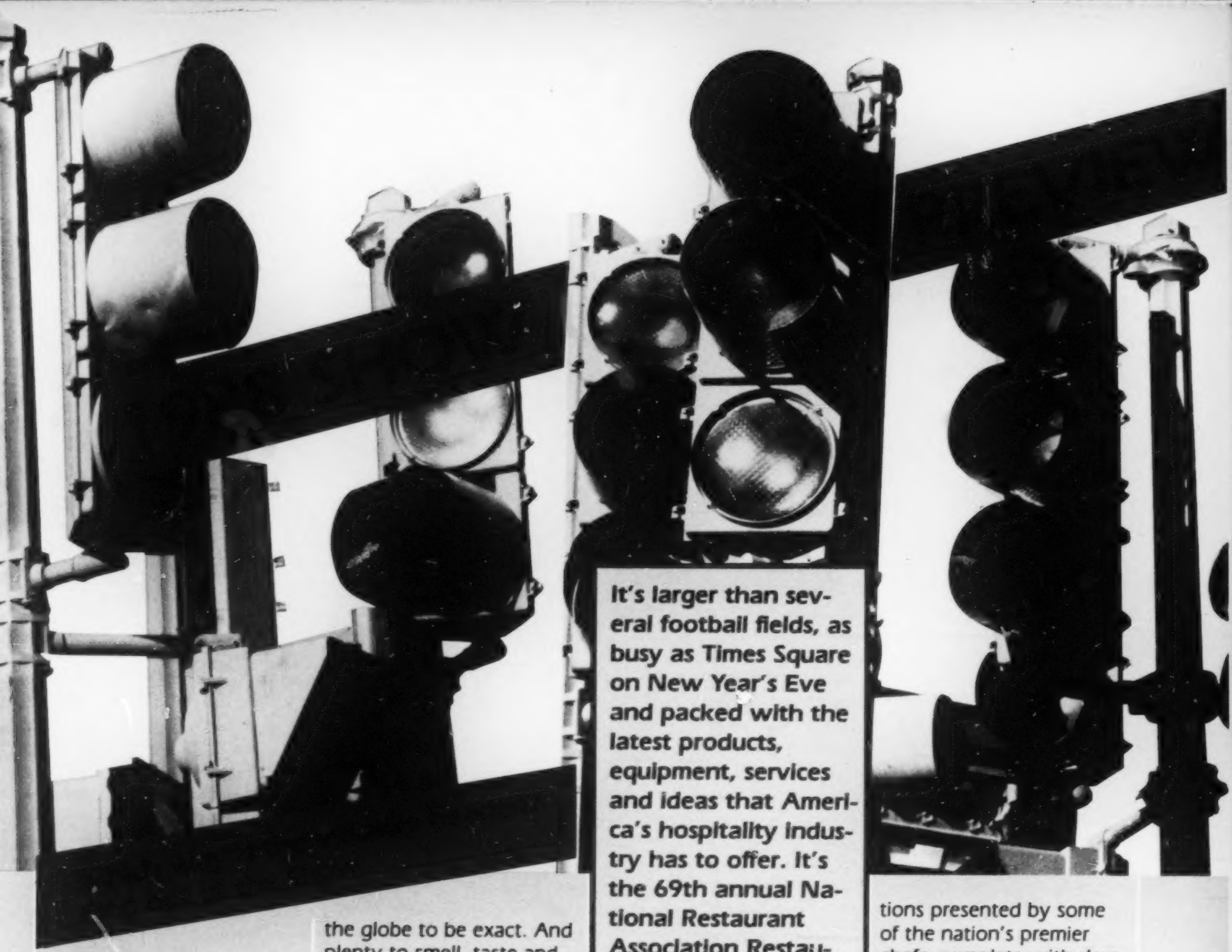


It's larger than several football fields, as busy as Times Square on New Year's Eve and packed with the latest products, equipment, services and ideas that America's hospitality industry has to offer. It's the 69th annual National Restaurant Association Restaurant, Hotel-Motel Show at Chicago's McCormick Place, May 21-25, 1988.

Whether you are new to the industry or a veteran attendee of many shows, you won't want to miss the incomparable National Restaurant Association Show. Because many new ideas and products find their way into the industry from the Show's floor, often changing the course of a segment or daypart, be sure to join the 100,000 attendees from 50 states and 70 countries to find out which way the industry is headed. There will be plenty to see at McCormick Place East and McCormick Place North, its new $300 million sister exhibition hall—some 1,900 fabulous exhibits from the United States and around the globe to be exact. And plenty to smell, taste and touch.

Not all that is new will need to be discovered on the Show floor, however. At theaters and management clinics, industry experts will discuss emerging trends and the latest management and marketing techniques for climbing to the top and staying there. Former football star Fran Tarkenton and Dr. Arthur Laffer, eminent economist and member of President Reagan's Economic Policy Advisory Board, are just two of the big names heading this year's Signature Series. And completing the educational lineup is a selection of 18 popular seminars conducted by the Educational Foundation of the National Restaurant Association on various aspects of effective restaurant operation.

Some of the Show's special features will showcase culinary talents and skills. For the first time this year, the National Restaurant Association Restaurant, Hotel-Motel Show will feature an Ice Carving Classic, testing the creativity, coordination and strength of world-class carvers from the United States and other countries in an intense four-day competition. And the Chefs' Stage will include three days of exciting and informative culinary demonstrations presented by some of the nation's premier chefs, complete with demonstration kitchen in an up-close setting. Sure to attract a standing-room-only crowd will be the talk by Madame Jehan Sadat, global political activist and widow of assassinated Egyptian President Anwar Sadat.

Tried-and-true favorites for Show attendees include such day-time events as the opening day ceremony, featuring remarks by National Restaurant Association President and Chairman of the Board Michael J. Grisanti and NBC Nightly News Anchor Tom Brokaw; the annual Hennessy Awards Luncheon, now in its 32nd year, featuring Assistant Secretary of the U.S. Air Force Tidal McCoy; and the Main Course, the annual 10-K race along Chicago's spectacular lakefront.

Come sundown, there's a welcome respite from the bustling floor activity. On Sunday and Monday evenings, attendees can unwind by visiting Convention Capers, a program of music and dancing featuring celebrated singers and musical groups. On Saturday evening, the annual Grand Banquet and Show/Congressional Leadership Forum (CLF) Gala gives everyone an opportunity to honor the association's incoming president and rub elbows with some of the national legislators touring the Show as part of the National Restaurant Association congressional legislative program.

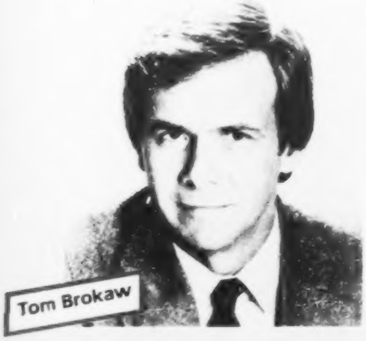
It's all happening at the 69th National Restaurant Association Restaurant, Hotel-Motel Show at McCormick Place, May 21-25, 1988.

Grisanti, Brokaw to open Show

Wondering what the legislative outlook is for foodservice? If so, you will want to stop by the Arie Crown Theater of McCormick Place on Sunday, May 22, at 2 p.m. to catch the opening day ceremony and presentation by National Restaurant Association President and Chairman of the Board Michael J. Grisanti. Grisanti, chief operating officer of Grisanti, Inc., Louisville, Kentucky, concludes his term at the association's helm with a summation of the major industry issues of 1988 and the challenges facing foodservice in the future.

The Show will be the last official function of outgoing Chairman of the Board Michael Grisanti, shown here with wife Paula.

This is also an opportunity to hear NBC Nightly News Anchor Tom Brokaw in person. The first American anchorman to interview Mikhail Gorbachev live on network television, Brokaw has been on the scene for more than 25 years, checking the pulse of our times from stations in Omaha, Atlanta, Los Angeles and New York. Brokaw covered the political intrigues of the 1970s—Watergate, the resignation of Vice President Agnew and the unsuccessful attempt of President Nixon to remain in office. In the 80s he served as the nation's eyes and ears at the funeral of assassinated Egyptian President Sadat, from the frontline of the Lebanese war, during the Pope's return to Poland and even at Prince Charles's wedding. Don't miss the opportunity to hear this outstanding broadcast journalist's insights into the events shaping today's world.



Tom Brokaw

Adding still more variety to the opening day program is the Grammy Award winning sound of trumpeter Danny Davis and The Nashville Brass. In the forefront of combining country music and symphonic classics, the group has gained popularity from Las Vegas to the White House, where it played for the inaugurations of Presidents Nixon and Reagan. In addition to the coveted Grammy Award, Danny Davis and The Nashville Brass has won the Country Music Association's Best Instrumental Group of the Year award for six consecutive years. Get to the program early to hear them play.

Crystal clear works of art

Come delight your senses. Witness the difficulty of the centuries-old ice carving craft. See styles that distinguish the various countries, and, most importantly, get ideas for your own garde manger operations. Be sure to stop by the first-ever National Restaurant Association Ice Carving Classic on the lower level of McCormick Place North, Saturday, May 21, through Tuesday, May 24. Watch eight three-person teams from the United States, Canada and other corners of the globe (possibly even Japan, the home of many recognized ice carving masters) transform five-foot blocks of ice, weighing 425 pounds each, into crystal clear sculptures. Working in 8 foot by 12 foot tanks, these master artists use chain saws and chisels to shape the ice to their will.

There's a hidden picture in every block of ice, and skilled chefs know how to find it. Don't miss the Ice Carving Classic to see artistry in ice.

A team of renowned ice carvers, functioning as judges, will evaluate the three phases of the competition: compulsory figures, requiring each member of the three-person team to execute a designated figure from one block of ice in one hour, freestyle individual blocks, requiring each person to fashion his own creation from one block in two hours and team multiple blocks—a freestyle team effort utilizing five blocks to be completed in three hours. Awards will be given to a grand champion, a freestyle individual champion and a champion freestyle team. Winners will be announced at the Salute to Excellence Dinner at the Chicago Hilton and Towers on Tuesday evening, May 24.

In addition to experiencing the sheer beauty of the spectacle, a series of educational programs conducted by master ice carvers will give attendees an opportunity to learn more about this exotic craft. Experts like Jim Nadeau of Nadeau Ice Sculpture in Willowbrook, Illinois; Dean Jaramillo from the Ice Sculpture School of Chicago; Maurie Pearson, executive chef of the Hyatt Regency Woodfield in Schaumburg, Illinois; and Ted Wakar, executive sous chef of the Ford Motor Company, Dearborn, Michigan; explore such topics as competitive ice carving, multiblock carving, judging certification and ice sculpture marketing. Attendees will also have an opportunity to learn more about the Chicago-based National Ice Carving Association (NICA), which is cosponsoring the classic. During the Show, NICA will announce its local chapter formation and a championship ice carving series, a string of competitions to be held across the country.

Culinary Arts Salon: Cornucopia of Ideas

Skeptics who doubt that food presentation is an art or that chefs are artists need only spend a few hours walking around the 18th Annual Culinary Arts Salon at McCormick Place, Saturday through Tuesday, May 21-24, 1988. Platters of pates as intricately inlaid as mosaics, fairytale marzipan characters, food sculptures reminiscent of antiquities and hundreds of unique presentation ideas will dazzle chefs and operators who come to examine—and incorporate—these techniques into their foodservice operations.

Set in McCormick Place's Chicago Room with its spectacular view of Lake Michigan, the Culinary Arts Salon is one of the most popular features of the annual National Restaurant Association Show and possibly the largest and most impressive culinary display in the United States. Now expanded to two additional days, this year's salon promises to be even more inspiring than usual.

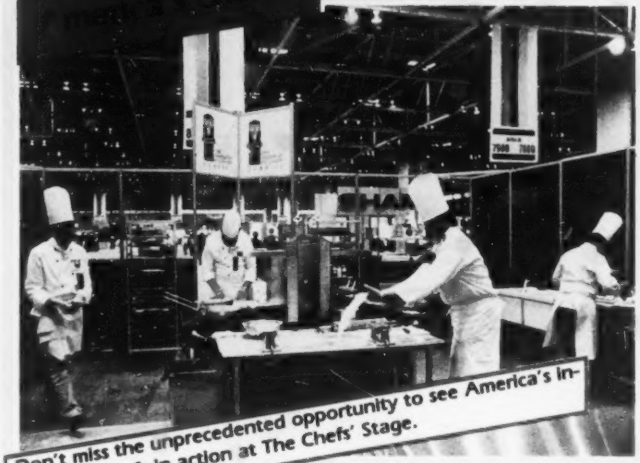
Restaurateurs come to the Culinary Arts Salon looking for ideas and techniques they can incorporate into their operations.

Attendees will want to catch the entire Culinary Arts Salon, which will be presented in two segments. One segment previews Saturday and Sunday, May 21 and 22, and another salon with hundreds of additional creations is showcased on Monday and Tuesday.

See if your favorites match those of the judges who award gold, silver and bronze medals to winners in the following categories: Grand Prize of the Entire Show, Grand Prize—Pastry Display, Best of the Show, Most Origi-

(cont'd on p. 22)

Curtain rises on America's Chefs


Don't miss the unprecedented opportunity to see America's innovative chefs in action at The Chefs' Stage.

Look out Paris, London and Frankfurt. Here come New York, Los Angeles, Chicago and Dallas. Once confined to duplicating the creations of their European counterparts, American chefs are now in the limelight of the world's culinary stage, creating innovative dishes and unique preparation methods with fresh American-grown foods.

The Chefs' Stage, an all-new program at the National Restaurant Association Show, will give attendees an opportunity to see what the commotion is all about. Don't miss this unprecedented opportunity to learn from the nation's trend-setting chefs who are setting the tone for American cuisine. This exciting three-day program, which debuts on the upper floor of McCormick Place North, showcases a series of 1½-hour presentations by eminent chefs. You'll see innovative techniques, unique presentations and the creation of signature dishes. Come visit with the masters. Learn the food combinations that work for them and watch the talent and skill that earned these chefs a spot in the culinary limelight. A working demonstration kitchen and upclose seating guarantees each viewer the best seat in the house.

(cont'd from p. 21)
nal Piece of the Show, Judges' Special Award, and Best Entry from a Junior Culinarian. Winners of the first segment will be announced at an awards ceremony on Saturday, May 21, and those of the second segment will be named at a similar event on Monday, May 23. In addition, winners will be honored at the Salute to Excellence Reception and Dinner at the Chicago Hilton and Towers on Tuesday evening, May 24. Be sure not to miss this once-a-year opportunity to see the state-of-the-art in cold-food presentation across the country.

The annual National Restaurant Association Culinary Arts Salon is recognized and endorsed by the American Culinary Federation and the Chefs of Cuisine Association of Chicago.

The winning single-unit and multiple-unit Air Force bases in the Hennessy Award competition each receive a traveling trophy, a 34-inch sterling silver bowl.

Tidal W. McCoy, assistant secretary of the Air Force for readiness and support, and many of the Air Force's top brass will turn out for the Hennessy Awards Luncheon at the 69th annual association Show. The luncheon, to be held at the Hyatt Regency Chicago, Saturday, May 21, at 11:30 a.m., honors Air Force bases for excellence in the management, preparation and service of food to military personnel.

McCoy, a West Point graduate with numerous military decorations, will be the keynote speaker. He is responsible for Air Force policies affecting readiness, sustainability and support.

The Hennessy Awards Program, now in its 32nd year, takes its name from John (Lawrence) Hennessy, who was recognized for his advancement of military foodservice. The competition is divided into two main categories, single-unit and multiple-unit with special award categories for the Air Force Reserves and the Air National Guard. Bases are evaluated by a traveling panel of foodservice and military executives. The winning single-unit and multiple-unit base each receive a traveling trophy, a 34-inch sterling silver bowl, and other winners are honored with plaques.

Tickets for the Hennessy Awards Luncheon are $40 and can be obtained from Ruth Tracy, National Restaurant Association, 1200 Seventeenth St., N.W., Washington, DC 20036-3097; (202) 331-5900.

Madame Sadat comes to Show...

Madame Jehan Sadat, world political activist and widow of the late Egyptian President Anwar Sadat, has captured the hearts of people all around the world. And on Monday, May 23, at 10:30 a.m., she will offer a special presentation in Theater Two of McCormick Place.

Madame Sadat worked closely with her husband to further the cause of peace in the world. She represented the Arab-African nations at the International Women's Conference and addressed the United Nations in her role as messenger of peace. An advocate of social reform, she toiled to better the lot of women and the disabled in her country. In 1976, Madame Sadat was responsible for the passage of a new Civil Rights Law in Egypt, giving more rights to women and more security to the family. One of the first to visit the Suez front in 1967, she later helped establish fully integrated cities for handicapped war veterans and civilians.

Madame Jehan Sadat

Married at an early age, she resumed her academic studies later in life, successfully winning both bachelor and masters of arts degrees from Cairo University and finally fulfilling a lifelong ambition to become a teacher. The recipient of honorary doctorate degrees from many American universities, Madame Sadat is currently a visiting professor at American University in Washington, DC, and at the University of South Carolina.

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Hear the din of the crowd, smell the waters of Lake Michigan and match muscle and mettle against 3,500 other runners in The Main Course, a 10-K race against the Chicago wind.

Show attendees, exhibitors and Chicagoans are all invited to partake in The Main Course, which kicks off at 8:00 a.m. on Sunday, May 22. Runners will sprint along the spectacular shores of Lake Michigan, around McCormick Place and McCormick Place North, through the Prairie Avenue historic district and down Michigan Avenue to finish at Arvey Field.

So what if you're not fresh from the Calgary Olympics? In The Main Course there's a level of competition for everyone: male and female age-group categories for individual contestants; teams with a minimum of five runners—each team to include at least one female and one master runner (over 40 years of age); an open class for all Chicago-area runners; a Show exhibitor/attendee class and a corporate class.

Awards go to the first-place male and female and to the top three men and women in individual categories. Plaques go to first, second and third-place teams in the team competition classes. All runners who cross the finish line are eligible for the "You-Don't-Have-to-Win-to-Win" array of prizes—random drawings that include round-trip airfare for two to anywhere in the United States, plus dinners and weekend packages at top Chicago restaurants and hotels.

THE MAIN COURSE 10K RACE
SPONSORED BY THE NATIONAL RESTAURANT ASSOCIATION

Match muscle and mettle against 3,500 other runners in The Main Course.

Race participants also receive colorful T-shirts and running gear contributed by the race's main sponsors: Coca-Cola USA; Miller Brewing Co.; Pepsi-Cola Co., Inc.; *Restaurant Business;* Dole Package Foods; Sunkist Soft drinks; and Tysons Foods, Inc.

The fee to participate in The Main Course is $8.95.

For race applications, contact Marge Whalen, National Restaurant Association, 150 N. Michigan Ave., Suite 2000, Chicago, IL 60601; (312) 853-2525.

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Operators with a yen for a good time and an ear for good music won't want to miss the soul-searching sounds of Larry Gatlin and The Gatlin Brothers at the National Restaurant Association Grand Banquet and Show/Congressional Leadership Forum (CLF) Gala in the Grand Ballroom of the Hyatt Regency Chicago, Saturday, May 21, at 6:30 p.m.

One of the most successful country-music stage and recording acts since the mid-70s, the Texas-born Gatlin Brothers have gained fans all over the world with hits like *Broken Lady, Houston, Midnight Choir* and *All the Gold in*

Larry Gatlin and The Gatlin Brothers

California. Superior lyrics and music have consistently driven their songs up the recording charts, winning numerous awards, including the Academy of Country Music's Top Male Vocalist, Best Single and Best Album in 1980.

Sharing the spotlight with Larry Gatlin and The Gatlin Brothers is comedian Pete Barbutti, veteran guest of the Steve Allen Show, the Gary Moore Show, the Tonight Show and Arthur Godfrey's radio program. An accomplished musician, who began his show business career by taking accordian lessons, Barbutti went on to perform with the University of Scranton Philharmonic Orchestra while still in high school. But little known at the time, the high school title of "class clown" would predict his real future as a successful stand-up comic. Barbutti, who created, wrote and starred in "Pete's Place" for Canadian syndication and also had a daily cooking and comedy show "Celebrity Microwave" on Canadian TV, has produced a number of comedy albums and was once named Las Vegas Entertainer of the Year.

The Grand Banquet and Show/CLF Gala is held annually to honor the association's incoming president. In addition to enjoying the talents of the Gatlin Brothers and Pete Barbutti, banquet guests will have an opportunity to mingle with national legislators touring the Show as part of the Congressional Visit Program.

Tickets for this gala are $100 per person. They can be purchased from Philip Kralovec, National Restaurant Association, 150 N. Michigan Ave., Suite 2000, Chicago, IL 60601; (312) 853-2525.

SHOW SCHEDULE

SATURDAY, MAY 21

7:30 a.m.
The Educational Foundation of the National Restaurant Association seminar series, registration and check-in for one-day and two-day programs

8:00 a.m.—3:00 p.m.
One-day seminars with 30-minute lunch breaks, McCormick Place North, lower level
☐ Planning successful buffets
☐ Dining room management
☐ Employee motivation
☐ Kitchen management
☐ Menus that sell!

First day of two-day seminars (cont'd on May 22)
☐ Beverage management
☐ Off-premises catering
☐ Operational analysis
☐ Action marketing
☐ Restaurant site selection and market feasibility
☐ Understanding restaurant design
☐ Negotiating for and financing foodservice facilities

9:30 a.m.—5:30 p.m.
Dealer/supplier press preview of exposition, McCormick Place and McCormick Place North

9:30 a.m.—5:30 p.m.
National Restaurant Association Ice Carving Classic, lower level of McCormick Place North. First of four days; continues on May 22, 23 and 24

9:30 a.m.—5:30 p.m.
18th Annual Culinary Arts Salon, Chicago Room, McCormick Place. First of four days; continues on May 22, 23 and 24

11:30 a.m.
Annual Hennessy Awards Luncheon, Hyatt Regency Chicago (ticketed event)

6:30 p.m.
The Grand Banquet and Show/Congressional Leadership Forum (CLF) Gala, Hyatt Regency Chicago, in honor of the National Restaurant Association's new Chairman of the Board and President, with Larry Gatlin and The Gatlin Brothers and comedian Pete Barbutti (ticketed event)

SUNDAY, MAY 22

7:30 a.m.
Registration and check-in for the Educational Foundation of the National Restaurant Association seminar series

8:00 a.m.—3:30 p.m.
One-day seminars with 30-minute lunch breaks, McCormick Place North, lower level
☐ Food cost management
☐ Hiring in a tight labor market
☐ Increasing sales: Effective front-of-the-house management
☐ Profitability
☐ Soups and sauces
☐ Tools for training

Second day of two-day seminars, McCormick Place North, lower level
☐ Beverage management
☐ Off-premises catering
☐ Operational analysis
☐ Action marketing
☐ Restaurant site selection and market feasibility
☐ Understanding restaurant design
☐ Negotiating for and financing foodservice facilities

8:00 a.m.
The start of "The Main Course" 10-K race at Arvey Field

10:30 a.m.—6:00 p.m.
Exposition opens. McCormick Place and McCormick Place North

10:30 a.m.—6:00 p.m.
☐ National Restaurant Association's Chefs Stage, upper level, McCormick Place North. First of three days; continues May 23 and 24
☐ National Restaurant Association Ice Carving Classic, lower level, McCormick Place North. Second of four days; continues May 23 and 24
☐ 18th Annual Culinary Arts Salon, Chicago Room, McCormick Place. Second of four days; event continues May 23 and 24

2:00 p.m.
Opening Day Program, Arie Crown Theater, McCormick Place

☐ Welcoming address: Association Chairman of the Board and President Michael J. Grisanti

☐ Keynote speech: NBC Nightly News Anchor Tom Brokaw

9:00 p.m.—1:00 a.m.
Convention Capers featuring trumpeter Danny Davis and The Nashville Brass and singer Ray Price, Hyatt Regency Chicago

MONDAY, MAY 23

9:30 a.m.—5:30 p.m.
Exposition opens, McCormick Place and McCormick Place North

9:30 a.m.—5:30 p.m.

☐ National Restaurant Association's Chefs' Stage, upper level, McCormick Place North. Second of three days; continues on May 24

☐ National Restaurant Association Ice Carving Classic, lower level of McCormick Place North. Third of four days; event continues May 24.

☐ 18th Annual Culinary Arts Salon, Chicago Room, McCormick Place. Third of four days; event continues May 24.

10:30 a.m.—12:30 p.m. Signature Series, Earl McMahon Room, McCormick Place: What you are is where you see

10:30 a.m.—12:00 p.m. Theater Series, McCormick Place

☐ Quantum management, Theater One

☐ You can negotiate anything, Theater Three

10:30 a.m.—12:00 p.m.
Special presentation. Speaker: Madame Jehan Sadat, McCormick Place, Theater Two

10:30 a.m.—12:00 p.m. Management Clinics, McCormick Place, lobby level

☐ Management is just one thing after another

☐ Merchandising nutrition

☐ Private clubs in the 90s

☐ CHART presentation

☐ Rethinking the tabletop

2:00 p.m.—3:30 p.m. Signature Series, Earl McMahon Room, McCormick Place: The economy

Theater Series, McCormick Place

☐ You can make a difference, Theater One

☐ Preparing today for the challenges of tomorrow, Theater Three

Management Clinics, McCormick Place, lobby level

☐ Brewpubs

☐ Training for excellence

☐ Maitre d' apprenticeship program

☐ CHART presentation

☐ Cinnamon abuse

9:00 p.m.—1:00 a.m.
Convention Capers, Chicago Marriott, featuring The Drifters and The Magnificent Men

TUESDAY, MAY 24

9:30 a.m.—5:30 p.m.
Exposition opens, McCormick Place and McCormick Place North

☐ National Restaurant Association's Chefs' Stage, upper level, McCormick Place North

☐ National Restaurant Association Ice Carving Classic, lower level, McCormick Place North

☐ 18th Annual Culinary Arts Salon, Chicago Room, McCormick Place

10:30 a.m.—12:30 p.m. Signature Series, Earl McMahon Room, McCormick Place: Playing to win

10:30 a.m.—12:00 p.m. Theater Series, McCormick Place

☐ Sustaining exceptional performance, Theater One

☐ The grid, Theater Three

Management Clinics, McCormick Place, lobby level

☐ Basic supervision

☐ Facing the tight labor market: Part I—Hiring the handicapped

☐ CHART presentation

☐ Wine merchandising clinic

2:00 p.m.—3:30 p.m. Theater Series, McCormick Place

☐ Marketing—Achieving the competitive edge, Theater One

☐ Politics on the menu: Inviting your congressman to dine, Theater Two

Management Clinics, McCormick Place, lobby level

☐ Guess who's not coming to dinner

☐ Facing the tight labor market: Part II—Hiring the older worker

☐ CHART presentation

☐ Wine list clinic

6:30 p.m.
Salute to Excellence Reception and Dinner, Chicago Hilton and Towers (ticketed event)

WEDNESDAY, MAY 25

9:30 a.m.—3:00 p.m.
Exposition opens, McCormick Place North

10:30 a.m.—12:00 p.m.

☐ Desktop menus

☐ CHART presentation

Impressive educational lineup

Often as important to operators as a tour around the floor is the time spent attending some of the various educational programs at the association Show. In the Signature Series and Theater Series programs, operators have an opportunity to rub shoulders with celebrities and best-selling authors. Dynamic presentations by these marketing experts, management whizzes and behavioral psychologists give operators new insight into their own operations and offer tips and techniques to incorporate back home.

In smaller group sessions, known as Management Clinics, attendees take part in problemsolving discussions focusing on operational difficulties confronting restaurateurs. These clinics often save operators countless hours at the drawing board by detailing the successes and failures of similar operations.

Here is a preview of what you will see and hear in the educational lineup at the 69th National Restaurant Association Restaurant, Hotel-Motel Show.

Signature series

Be sure to set time aside to catch these dynamic presentations in the Earl McMahon Room of McCormick Place on Monday and Tuesday, May 23 and 24:

☐ **What you are is where you see** by Dr. Morris Massey is the third installment of his two earlier presentations—**What you are is where you were when** and **what you are is not what you have to be.** These

Morris Massey

sessions wowed Show attendees in 1980 and 1982.

☐ **Playing to win.** If you lose more than you win or win less often than you like, this signature series program is for you. Fran Tarkenton, number-one-ranked passer in National Football League history and current chairman of the board of his own multi-million-dollar management consulting firm, details his philosophy of winning. Tarkenton's method reaches all levels of the corporate structure—from how to manage human resources to how to gain self-fulfillment.

Fran Tarkenton

☐ **The economy.** Wish you had a crystal ball to predict the economic outlook for 1988 and beyond? Then don't miss this opportunity to hear Dr. Arthur Laffer, author of the well-known and sometimes controversially regarded "Laffer Curve." Laffer has ideas about cutting taxes, the budget deficit, causes of the recent stock-market crash and tacking the value of the dollar to a metal standard. He's a brilliant economist, with an unmatched ability to make economic theory understandable and fun.

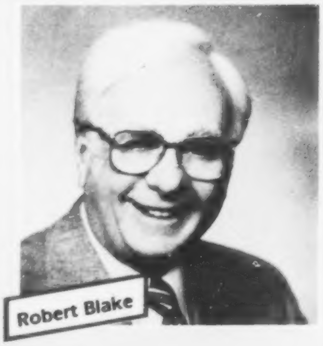
Arthur Laffer

Theater series

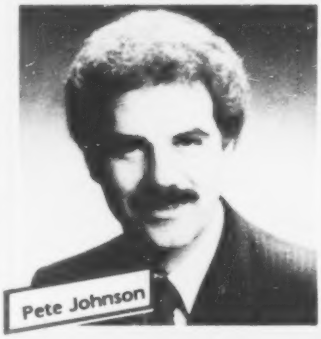
Be sure to stop by Theaters One, Two and Three on the mall level of McCormick Place Monday and Tuesday, May 23-24. Here's what you will see:

☐ **You can negotiate anything.** Herb Cohen, whose years of expertise as an attorney, consultant, businessman and negotiator gave him material for his bestseller, *You Can Negotiate Anything*, shares his insights on the fine art of negotiation with Show attendees. In addition to solid information, listeners will be entertained by Cohen's humor.

☐ **The grid.** Dr. Robert Blake, coauthor of 34 books and more than 200 articles with the late Jane Mouton, is most famous for *The Managerial Grid*. Blake and Mouton's most recent collaboration, *Spectacular Teamwork*, represents a breakthrough for the study and improvement of teamwork in modern organizations. Show attendees will gain a rare opportunity to meet and learn from one of the best-known theorists in the behavioral sciences.


Robert Blake

☐ **Preparing today for the challenges of tomorrow.** Strategy—when can't it be better? Come and learn from Dr. Peter Johnson of Johnson and Company, the nation's premier speaker on strategy. You'll learn how to out-think the competition by concentrating your efforts on the cumulative effects of a coordinated plan instead of dwelling on the results of single actions. Learn the art of strategic business, marketing and sales planning. Concentrate on strategic positioning, market "nichemanship" and gaining the competitive advantage. Widely used by corporate giants, Johnson's approach is also applicable to small and midsize operations.


Pete Johnson

☐ **Marketing—achieving the competitive edge.** Best known for his creative ideas on management and marketing, Dr. Gunther Klaus has addressed—and entertained—more than 1 million people around the world with his basic marketing principles. For example, Klaus discusses how preoccupation with trivia impedes effective planning for the future and gives reasons why executives shouldn't lie. (Research indicates that executives or managers tell 200 lies a day.)

Gunther Klaus

☐ **You can make a difference.** On May 19, 1967, Charlie Plumb was shot down near Hanoi and captured. He spent the next five years and nine months as a POW. His greatest challenge in captivity was not overcoming the living conditions but rather warding off a type of "prison thinking." Plumb, the author of two books—*I'm No Hero* and *The Last Domino*—teaches Show attendees how to overcome similar self-imposed limitations.

Charlie Plumb

☐ **Quantum management.** Learn and laugh with Herb True, renowned "edu-tainer," as he explains how to become a 21st-century "quantum manager." Currently an adjunct professor at both Notre Dame and St. Mary's, True has instructed more than 3,000 audiences.

Herb True

☐ **Sustaining exceptional performance.** Art Turock presents his systematic "10-minute plan" for building exceptional performance. The key, according to Turock, is not flashes of brilliance but, instead, the ability to sustain momentum and to repeatedly eclipse past performance.

☐ **Politics on the menu: Inviting your congressman to dine.** The best way to effect change in the legislative area is through direct, personal contact with elected representatives. This session suggests ways to establish contact that works.

Management clinics

For more nitty-gritty sessions, don't miss the 20 exciting management clinics on the lobby level of McCormick Place on Monday, Tuesday and Wednesday, May 23-25. Here is a preview of some of the selections:

☐ **Management is just one thing after another.** A lively session on management strategies presented by Dr. Robert Christie Mill, director of the University of Denver's School of Hotel and Restaurant Management.

☐ **Rethinking the tabletop.** A panel presentation coordinated by Irving J. Mills, author of a new book on tabletop appointments. Panelists are: Elaine Bell, Wine Country Caterer; Roseanne Bye, consultant; Marcel Desaulniers, The Trellis and Jimmy Schmidt, Rattlesnake Club.

☐ **Facing the tight labor market: Part I—Hiring the handicapped.** A panel of industry operators and rehabilitation professionals, including Robin Anderson, QSC Management; John Cannatal, SBM Maintenance Co; and Carolyn Thompson, JVS and National Rehabilitation Association, explains how easy and rewarding hiring trained and motivated handicapped workers can be.

☐ **Facing the tight labor market: Part II—Hiring the older worker.** A shop talk among industry professionals who have successfully taken advantage of this growing pool of potential employees. Presenters include: Patricia Brophy, McDonald's Corporation; and Pam Farr, Marriott Corporation.

☐ **Basic supervision.** Join Jack Miller, head of the HRI program at St. Louis Community College and a presenter of National Restaurant Association seminars for 15 years, in his discussion of basic supervisory techniques.

☐ **Training for excellence.** A session for managers and supervisors interested in significantly increasing productivity, presented by Marcia Rund Bradley, director of education for the Rund Restaurant Group in Rochester, New York.

☐ **Cinnamon abuse.** A lively panel discussion on the ins and outs of on-premises baking, particularly looking at the phenomenal success of the cinnamon roll.

☐ **CHART programs.** Once again, this popular series of five presentations on various aspects of human resources development is presented by the Council of Hotel And Restaurant Trainers.

☐ **Wine merchandising clinic.** A panel of restaurant and hotel professionals who are experts in wine will tell you how you can expand your wine sales. Learn how to train your staff, how to develop a variety of promotions and how to successfully market premium wines by the glass.

☐ **Wine list clinic.** Why does a restaurant need a wine list? What makes a good wine list? How do you go about putting a list together? These and scores of other questions can be answered by this group of experts composed of operators whose lists have won awards and top wine list consultants. In this session, you'll be able to sit down and talk with the experts. Bring your own wine list for a professional evaluation.

☐ **Maitre d' apprenticeship program.** Dr. Tom Calnan, director of the Unversity of New Orleans Hotel School, presents an innovative concept for a nationwide apprenticeship program that addresses both the educational needs of existing front-of-the-house employees and the recruitment needs for mid-management personnel.

☐ **Guess who's not coming to dinner.** If you take reservations in your restaurant, you know what an expensive nuisance no-shows can be. This panel of operators, including Leslee Reis of Cafe Provencal, shares some successes and frustrations in dealing with the problem.

☐ **Merchandising nutrition.** A panel of industry professionals explains how to sell nutrition without turning people off—through menu structure, promoting healthful food and drink items, and encouraging nutritious consumption patterns.

☐ **Desktop menus.** Steve Miller, longtime National Restaurant Association seminar instructor, discusses the use of desktop publishing with personal computers to design and print menus.

☐ **Brewpubs.** This session looks at one of the most exciting minitrends in the industry today. Operators who have already undertaken the formidable task of adding breweries to their restaurants share their experiences with Show attendees. Participants include: Uli Bennewitz, The Weeping Radish Restaurant & Brewery, Manteo, North Carolina; John Dallman, Water Street Brewery, Milwaukee; and Jerome Eastman, Tap & Growler, Chicago.

☐ **Private clubs in the 90s.** This industry segment shop talk focuses on the future and features a topflight panel of Certified Club Managers, including Martha Bonk, Edward Drew, Mead Grady and Edward Hoffman.

Educational seminars teach operational how-tos

Whether you are new to the field or a seasoned professional, when it comes to learning or perfecting operational how-tos, there is no better place to go than to the Educational Foundation of the National Restaurant Association. This year's program includes 18 seminars to be held on the lower level of McCormick Place North, Saturday and Sunday, May 21 and 22. As a special bonus this year, seminar participants receive complimentary Show admission. (These seminars require a separate admission fee.)

One-day seminars

Saturday, May 21

☐ **Planning successful buffets.** Applicable to almost any size foodservice operation, this seminar teaches the basics of buffet service with an emphasis on creative menu, decor and preparation techniques.

☐ **Dining room management.*** Learn basic front-of-the-house management skills, including employee motivation and problemsolving on the floor. Appropriate for all levels—owner/operators, dining room managers/supervisors, waiters and waitresses.

☐ **Employee motivation.** Learn how to hire—and keep—motivated employees through practical incentive programs, team-building exercises and employee work groups.

☐ **Kitchen management.*** Discover money-saving techniques for improving efficiency and productivity in the kitchen. This seminar focuses on food production and preparation, maintaining quality, controlling food costs and effective management techniques.

☐ **Menus that sell!** Discover how to make the most of your menu—your number 1 sales and marketing tool. This course covers flagging poor performers, adding new moneymakers, menu design and layout.

Sunday, May 22

☐ **Food cost management.** What are the factors behind lost money? Look at the problem from another angle and learn a proven system that controls costs by tracking actual food use. Attendees receive all the forms and management tools needed to implement cost control programs in their establishments.

☐ **Hiring in a tight labor market.** Gain valuable insights on ways to increase reliable applicant sources, evaluate application forms, perform a hospitality evaluation of job candidates and train management to become better at hiring and maintaining qualified employees.

☐ **Increasing sales: Effective front-of-the-house management.*** Attendees take a close look at their present dining room service style and learn specific methods for improving sales. Learn about merchandising techniques, sales incentives, motivational tools and much more.

☐ **Profitability.** Walk away with a blueprint for improving profits at the unit level. A variety of practical and innovative operating systems, management techniques and cost control tips are explored.

☐ **Soups and sauces.** Learn about these inexpensive and easily prepared, yet distinctive and profitable, menu additions. Techniques and principles upon which all soups and sauces are based are provided.

☐ **Tools for training.*** Learn how to build a solid employee training program using proven techniques. The program focuses on the whys and how-tos of training.

Two-day seminars

Saturday and Sunday, May 21 and 22

☐ **Beverage management.** Discover how to reach new markets, develop profitable merchandising programs, improve controls, spot consumer trends and boost wine sales. The program also looks at "alcoholic beverage consciousness" and what it means in today's business environment.

☐ **Off-premises catering.** A complete guide to the essentials of a catering business, including a look at common pitfalls. Focus includes analyzing market potential; developing new business; menu development; selecting foodservice style; cost, production and handling; staffing; current trends and signature foods.

☐ **Operational analysis.** How does your restaurant measure up against industry standards? This course covers both financial and managerial analysis to help restaurateurs pinpoint the strengths, weaknesses and potential of their operations.

☐ **Action marketing.** This intensive program focuses on the basics of successful marketing. It reviews the how-tos of increasing profit by building new repeat customer trade, minimizing the risk involved in expansion and heading off problems that threaten sales, growth and profits.

☐ **Restaurant site selection and market feasibility.** Attendees learn the key principles of successful site selection through careful analysis of the existing market structure, review of the physical characteristics of the target site, examination of economic and financial variables and customer profiles.

☐ **Understanding the process of restaurant design.** This seminar gives foodservice executives the background necessary to understand and control restaurant design projects and avoid costly mistakes. Analyzing project feasibility, planning space and equipment, resolving design problems and working effectively with architects, engineers and consultants are some of the topics covered.

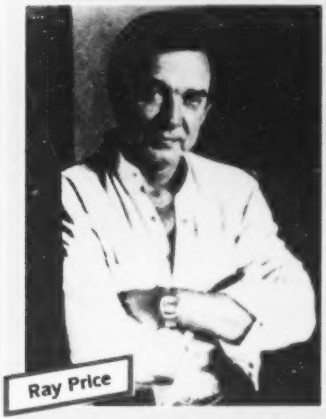
☐ **Negotiating for and financing foodservice facilities.** This course emphasizes the importance of real estate to the foodservice operator. Attendees learn about deal negotiations and financing loans.

The cost of these courses varies. Basic one-day foodservice courses, those identified by an asterisk, are $125 for association members and $155 for nonmembers. One-day food production and foodservice management courses are $155 for members and $195 for nonmembers. Two-day seminars are $325 for members and $395 for nonmembers. The registration fee covers the cost of the course and materials.

Discounts for multiple attendees from the same company are available for food production and food management courses. For additional information, contact the Educational Foundation of the National Restaurant Association, 1200 Seventeenth St., N.W., Washington, DC, 20036-3097; (202) 331-5900.

Convention capers: down-home sounds

Show attendees can dance the night away at Convention Capers Sunday and Monday, May 22 and 23. At the Hyatt Regency Chicago on Sunday, May 22, is country-western night featuring Danny Davis and The Nashville Brass and the down-home sounds of the inimitable Ray Price, known for *Heartaches by the Number, For the Good Times, Danny Boy* and many other all-time favorites. For rhythm and blues fans, Monday, May 23, is a special night at the Chicago Marriott featuring The Drifters and The Magnificent Men. And best of all, your National Restaurant Association Show badge is your only price of admission.



Ray Price

Shopping for overseas goods

Why spend thousands of dollars on a buying exhibition overseas, when the price of admission to the 69th National Restaurant Association Restaurant, Hotel-Motel Show offers an opportunity to mingle with marketers from around the world and a chance to see hundreds of foreign foods, products and services. You can be sure that the Show's international marketplace will showcase tempting foods, beverages, products and services and will provide an international business center where business relationships can be cemented.

On the exhibit floor of McCormick Place North, you will see exhibits presented by the China External Trade Development Council, Interexpo (Italy), the Netherlands, the German Wine Information Bureau, New Zealand, Food & Wine from France, French Expositions (equipment), the Austrian Trade Commission, Portugal and Canada.

Because the U.S. Department of Commerce (DOC) named the 69th National Restaurant Association Show as one of only 18 U.S. Foreign Buyer Programs, the "show of shows" must be doing something right!

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Be sure to join the 100,000 Show attendees to find out which way the industry is headed.

A tribute to excellence

A thousand industry leaders will gather to demonstrate their commitment to education at the second annual Salute to Excellence Dinner at the Chicago Hilton and Towers on Tuesday evening, May 24. At this prestigious event, the Educational Foundation of the National Restaurant Association will once again honor select industry representatives for their extraordinary support of advancing professionalism through education by bestowing its Ambassador and College of Diplomates Awards.

A committee of the board of the educational foundation will select the recipient of the 1988 Ambassador Award from current members of the College of Diplomates.

Also set for special recognition at the banquet are 100 student honor delegates from culinary institutions and hotel, restaurant and institutional management schools; winners of other hospitality industry distinctions like the IFMA Gold and Silver Plates; the CHRIE Achievement Award; the H.R. Meek Award and winners of various awards given during the 69th National Restaurant Association Restaurant, Hotel-Motel Show.

Attendance at the Salute to Excellence Dinner is by invitation only. For more information, contact Charles Sandler, director of information, the Educational Foundation of the National Restaurant Association, 20 N. Wacker Dr., Suite 2620, Chicago, IL 60606; (302) 782-1703. ❑

REGIONAL MARKETING

Translating national trends for your local audience

by Marcia Hibsch Coppess

In a nation of 242 million people covering 3.6 million square miles, there is more than enough room for diversity. Lifestyle, needs and taste preferences vary from state to state, region to region and neighborhood to neighborhood.

It is the restaurateur's task to interpret both regional tastes and such national changes as working women, kids dining out and "cocooning" into a marketing language and style that satisfies regular customers while it brings new ones through the door. With attention to those details, the results can be a boon to business; without them, there can be a fatal blurring of purpose and concept.

Defining regional tastes

Companies realized long ago that customer attitude and behavior differ significantly from market to market but are only now reacting to that information, according to Tom Feltenstein, president of American Restaurant Marketing Group, West Palm Beach, Florida.

"As more people arrive on the restaurant scene, competition intensifies," he explains, "Owners need to focus a beam of powerful marketing where it counts rather than trying to spread their advertising and marketing dollars too thin."

Taste differences can be subtle or dramatic, from a preference for more spice to a spurning of particular foods or beverages. Some restaurants find that a product sells well in the West but languishes in the Midwest. Others note that their customers identify them with a type of food, whether the restaurant is in Seattle or Phoenix.

"We find a lot of similarities in the foods our consumers prefer," reports Julia Stewart, vice president of marketing for Stuart Andersen's Black Angus/Cattle Company Restaurants in Los Altos, California. "That may be a function of our fare: a steak is a steak, whether you smother it in mushrooms or offer it with a bearnaise sauce. But we do find regional preferences in fish and liquor, and we take advantage of those differences by featuring them as specials."

Lamar Berry, vice president of marketing for Popeye's in Jefferson, Louisiana, says that the chain's positioning as a New Orleans-type fried chicken restaurant creates both a need and a niche in new markets.

"Consumers are getting more experienced in their eating habits and cry out for something other than meat and potatoes," Berry believes. "When we go into new markets we often create excitement among the local press and food columnists because we are different. We wouldn't want to change that by offering something everyone else has."

Fast food chains respond by broadening menus beyond sandwich fare, and restaurants formerly populated by the single after-work crowd welcome couples with children. Large chains often leave room in their marketing and menu planning for regionalization.

For example, the IHOP corporation's marketing and menu planning addresses both national and regional trends in a way that retains the chain's identity but capitalizes on changes in its customer base.

The North Hollywood, California-based company has designed a menu built around a core group of items but still leaves final menu selection to the individual franchise owner. In one IHOP a Denver omelette is a popular menu item, but it may be replaced by corn pancakes in another part of the country.

"Our franchise owners can give us a lot of feedback on what the consumer wants," said Stephen T. Petisse, IHOP's vice president of marketing and current chairman of the National Restaurant Association Marketing Executives study group. "Each restaurant is like a market research cell. So it makes sense that the owners would have a say in what menu items their customers want."

Donald F. Calhoon, vice president of field marketing for Wendy's International in Dublin, Ohio, has seen his company's marketing philosophy change dramatically in the last decade. When he joined the chain 10 years ago, there were fewer than 300 units and four field marketing people. Now he supervises 40 people who service 4,000 restaurants.

"It's wrong to assume we in Columbus can fully understand all the nuances of the restaurants in Phoenix to make their decisions on a day-to-day basis," he says. "Instead, we work together to create a national program that accomplishes corporate goals but can be adapted to the needs of local markets."

Differences between cities

Attention to national trends and regional preferences doesn't mean that individual restaurant owners can disregard the differences between cities or neighborhoods. Even success in one part of town doesn't ensure success elsewhere in the same city. Restaurant owners considering a move into a new neighborhood or market must take a close look at the match between their concept and the markets they enter to avoid plunging into costly mistakes.

When Michael McCarty, chef-owner of Michael's in Santa Monica, California, decided to open a second restaurant that would combine the upscale, new American cuisine at Michael's with a moderately priced grill-lounge, he investigated several cities.

"We pinpointed several cities around the country with an upscale clientele that enjoyed eating fresh, innovative food in an art-filled environment," he says. "We chose Denver for our first Rattlesnake Club specifically because the city has that sort of person. Now we're finalizing work on Rattlesnake Clubs in Detroit and Washington, DC, where the same type of clientele exists."

While a restaurateur enjoys success in one city, he may find that his concept doesn't translate from city to suburb or from North to South. Frank Fat founded the Chinese restaurant bearing his name in Sacramento's Chinatown nearly 50 years ago. With skill, good food and goodwill he built a Sacramento institution frequented by California's politicians, Chinese residents and tourists.

Riding on the success of Frank Fat's, the family decided to move 500 miles south to take advantage of the growth of San Diego's downtown. In 1979 they bought a huge Art Deco building along the harborfront and restored it, painting it Pepto-Bismol pink and adding a mile of pink and blue neon around its perimeter.

But the Fats were just another new family in San Diego; Fat City and China Camp just two more restaurants; and the unusual concepts surrounding them weren't accepted by the city.

"We quickly learned that San Diego is not Sacramento," says Tom Fat, who moved with two other relatives to San Diego to launch his father's new restaurants. "The location is different, the people are different, and our reputation is not the same. The market was not at my feet here, and we were pretty shell-shocked."

The restaurants eventually stabilized with the help of aggressive print and radio advertising, positive reviews and high-profile community involvement.

In sum

Marketing is successful when a restaurateur or chain makes decisions as close to the consumer as possible. "Regional marketing's role is to provide local input to guide the strategic issues. People from world headquarters can decide on optimal positioning, but the input has to be from the people," says Feltenstein.

Once the owner develops a sense of his personal market, he can adjust his products, decor, hours, prices and advertising to suit local tastes. ❑

Marcia Hibsch Coppess is a freelance writer in Arcadia, California.

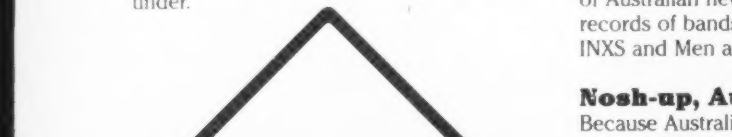
You can be saucy with the spirit of Aussie

by Paul Moomaw

As Australia celebrates the 200th anniversary of its settlement by the British, U.S. interest in the land down under is at an all-time high. Australian movies, clothing and music are all the rage, and curious American tourists are flocking to Australia in 1988 to see Australians celebrate their bicentenary. You can save your customers a bundle on airfare by bringing a promotion to your restaurant that features the sights, sounds and flavors of Australia.

Nifty decor

Some quick changes in your restaurant's decorating scheme can set the stage for a successful promotion. Because animals make up an important part of America's vision of Australia, strategic placement of stuffed kangaroos, koala bears and wallabies can bring the look of the outback to your establishment. Complete the bush-country motif with sparse placement of eucalyptus trees and shrubs and a few boomerangs. By calling an Australian travel agent or Quantas Airlines, you can probably get your hands on some free travel posters to evoke the Australian outback and major cities from the land down under.



FYI: Contrary to a popular misconception, kangaroo meat is not an Australian staple, although the gamey, beefy dark meat is delicious when used in such dishes as Kangaroo-tail soup and Bolognese sauce.

Australians have been influenced by American culture for years, but the reverse has only recently been true. The smash movie hit *Crocodile Dundee*, starring Paul Hogan, brought the Aussie spirit to many Americans for the first time. You can make the most of this connection by screening the film in your restaurant or adding some Paul Hogan posters or pictures to your decorating scheme or to a commemorative menu.

Australian rock music has infiltrated American airwaves in recent years as well. If your establishment has a lively pub atmosphere, you could feature an evening of Australian new music by spinning the records of bands like Crowded House, INXS and Men at Work.

Nosh-up, Aussie style

Because Australian food is similar to traditional American fare, with its strong emphasis on roasted meats served with potatoes and vegetables, almost every American establishment can adopt a few Aussie specialties, offering such festive dishes as Boomerang Chili, Walkabout Salad, Sydney Sandwiches, and Outback Chicken. You may also want to adapt a popular lottery called a chook raffle, in which a chook (or chicken) dinner for two is the prize; or you can do it Australian style and just give away the chicken.

Don't neglect lamb during your promotion. Lamb is especially popular with Australians, and it is in plentiful supply: There are nine sheep for every person in Australia.

But there is more to Australian cuisine than a simple love for meat. There are several native dishes that would be hard to find anywhere else.

Meat pies are everywhere in Australia: in the home, on restaurant menus, at the beach and at football stadiums. These little pies may be eaten at any meal or even as a stand-up snack at a bar because no utensils are necessary. A popular version of the meat pie known as a "floater" has the meat pie turned upside down in a bowl of thick pea soup and smothered in ketchup.

Both as a social event and a cooking style, the barbecue—or "barbie"—is an important Australian culinary tradition. An easy way to add a dish that may already be familiar to your customers is to feature "shrimp on the barbie" (barbecued shrimp).

Also indigenous to Australia is the infamous vegemite. The salty yeast extract is used by Australians as a bread spread, but for non-Aussies it definitely takes some getting used to. You will probably want to add it to your menu, anyway, because so

Paul Moomaw is a communications specialist at the National Restaurant Association.

many people have heard about it and might like to give it a try. Perhaps your servers can bring a few crackers to the table spread *thinly* with vegemite soon after your customers are seated.

One of Australia's most tempting offerings is the dessert known as pavlova. Pavlova was created by a chef in Perth in the 1930s as a tribute to the visiting Russian ballerina Anna Pavlova. To make pavlova, a crisp meringue is formed into a cavitied shell and stuffed with whipped cream and fruit. Traditionally, the colorful passionfruit is used as filling, but other fruits serve equally well: strawberries, raspberries, bananas or peaches, for example.

Another fine Australian dessert, which is very easy to make, is peach melba. Vanilla ice cream is scooped into a champagne glass, topped with half a peach, and then raspberry puree is spooned on top for a delightfully simple dessert. Once popular in the states, this delicious dessert could stand a revival, especially during the summer when fresh peaches are plentiful. Serve it with cookies, but call them "biscuits" in true Aussie style.

Your kids' menu can be adapted as well, with your selections renamed in the Aussie spirit. Let your imagination run wild with all your items except for sandwiches, which are known as "sangers" in Australia. You may also want to supplement your desserts with some special candies for your promotion. Call them "lollies," the way the Aussies do.

Top drops

Australia produces many fine beverages, including some of the world's best beers (top drops) and wines. Beers, such as Foster's Lager and Thomas Cooper Ale, have already swept through the American pub market and become favorites. Now you can introduce these beers to your patrons as part of your promotion.

In addition to beers, world-class table wines have found a growing U.S. following, and Australian wine coolers are also doing well in the American market. Mixed drinks can be "Aussied" as well. Your bartenders can improvise drinks using the kiwi fruit—kiwi daiquiris or kiwi margaritas, for instance, or such drinks as "The Didgeridoo"—gin, pineapple juice, orange juice, lemon juice, dash of passionfruit juice and fruit sherry.

VEGEMITE
KRAFT
VEGEMITE
KRAFT

Bog in, don't wait and enjoy your tucker

One of the biggest Australian promotions of the year was put on by San Francisco's upscale hotel, The Westin St. Francis (between January 26 and February 29). This month-long food festival was dubbed "A Taste of Australia" and extended to all seven of the hotel's restaurants and to room service.

No expense was spared to create an Australian atmosphere for the hotel and its restaurants. The St. Francis lobby, restaurants and guest rooms all sported decorations in keeping with the Aussie theme. A special six-foot fiberglass kangaroo was commissioned for the Westin lobby, and 75 stuffed koalas were placed in a setting that also featured Australian flags and eucalyptus trees. Every Westin employee wore a two-inch clip-on koala during the promotion, and employees answered phones and greeted guests with the phrase, "G'day."

In Dewey's, the Westin St. Francis' pub, bartenders and waitstaff wore authentic akubura hats in the spirit of the Australian outback as they rang up Australian beers, kiwi daiquiris, Matilda Bay wine coolers and nonalcoholic beverages from Koala Springs. Another Westin restaurant flew in fresh Australian fish daily and offered it as part of a fixed price menu that included "Queensland salad," pavlova or a kiwi bush nut cheesecake. Other choices included: shrimp on the barbie, mesquite-smoked lamb, Sydney rock oysters, meat pies and bugtails—a cross between a crab, lobster and crayfish.

Thoughout the month, the Westin promoted the friendly Aussie phrase, "Bog in, don't wait and enjoy your tucker," which means "Come on in and enjoy your food."

The promotion filtered all the way into the guest rooms where mini-bars were stocked with Australian beer and wine, and table tents showed a koala bear dialing room service. The Westin promotion was a success, with over $100,000 of Australian beer, wine and food sold. Westin plans to try "Taste of Australia" at other Westin hotels in October.

Aussie lingo, by crikey

English is spoken in many places, but the Australian brand is unmistakable. Here's a guide to some of the most common Aussie expressions and their meanings.

☐ ace—excellent
☐ 'angon—wait a moment
☐ arvo—afternoon
☐ barbie—short for barbecue
☐ beyond the Black Stump—far from the city; the outback
☐ by crikey—an expression of surprise
☐ cheesed (off)—bored; fed up
☐ chewy—chewing gum
☐ chook—a domestic fowl
☐ chook raffle—a lottery in which the prize is a chicken; usually held in a "pub" (hotel)
☐ chuck a willy—go berserk
☐ cobber—friend
☐ dead marine—an empty beer bottle
☐ dead set—certain; assured; used as an exclamation meaning "really"
☐ dinky-di—genuine
☐ fair dinkum—honest; genuine
☐ fair enough—all right, acceptable
☐ go off like a bucket of prawns in the sun—to create a commotion
☐ good one—an exclamation of approval
☐ hooroo—goodbye
☐ like a possum up a gum tree—moving fast
☐ like a rat up a drainpipe—moving even faster
☐ lingo—language
☐ mate—good or best friend; also used to greet someone as in "G'day mate"
☐ nosh-up—a good meal
☐ nick—to steal
☐ nifty—stylish; clever
☐ 'ooroo—goodbye
☐ outback—the inland country far away from the cities
☐ ring in—a substitute
☐ sangers—sandwiches
☐ stone the crows—exclamation of astonishment
☐ ta ta!—bye bye!
☐ tinnie—a can of beer
☐ top drop—a good beer
☐ true blue—genuine
☐ yakka—hard or heavy work
☐ yobbo—a stupid or uncultivated person

Ace service

Employees can blend into the spirit of your promotion with clothes that conjure up images of the Australian outback. Khaki shirts and shorts and akubura hats or rugby shirts will make your waitstaff into temporary Aussies. Encourage them to sprinkle a little Aussie lingo into their conversation. Have them turn on the Australian charm by answering the telephone with the phrase "G'day, mate," and be sure they say "'ooroo" or "ta ta" when it's time for your customers to leave. 'Ooroo for now. ☐

NO-SMOKING SECTIONS, NO NONSENSE

Two-thirds of the American adult population are nonsmokers, and they are insisting that restaurants and other public facilities take notice. It's not just idle talk. With the support of legislation in their communities, nonsmokers are forcing operators to bend to their desires—whether restaurateurs want to or not. Often the laws are more stringent than voluntary efforts.

by Kathy Boyle

The current wave of antismoking sentiment, in part a backlash from the U.S. Surgeon General's report on "side-stream" smoke, puts restaurateurs firmly in the center of a swirling controversy over smoking in restaurants. In some locales, city governments have gone so far as to enact outright bans on smoking in restaurants.

Last April, for example, Beverly Hills' city hall passed one of the nation's strictest nonsmoking ordinances, prohibiting all smoking in restaurants. Immediately, business dropped off in Beverly Hills restaurants, as long-time patrons took themselves across the street or down the block to West Los Angeles and Hollywood. Since then, Beverly Hills' restaurateurs have put in an agonizing year—doing just about everything besides restaurateuring. They organized themselves into a city restaurant coalition, lobbied against city hall, and finally hired their own public relations counsel.

At first, nearby restaurateurs gloated—until they realized customers do not know where the city limits are. Some restaurateurs actually located in West Los Angeles found that potential customers thought they too were located in Beverly Hills and their business suffered as well.

Outright ban on smoking does not work

The all-out ban on smoking lasted from April until the end of July. "Business suffered considerably," says Andrew Silber, operations director of the 35-seat Jacopo's of Beverly Hills, an Italian restaurant. "In fact, I would estimate we suffered a 22 to 30 percent loss in revenue. If there was a smoker in a party of six or eight, they stopped coming near the city and took their business to Hollywood or West Los Angeles. The fact is that there are plenty of other good restaurants nearby."

"Right now we are at a stage with city council where we are at peace," notes Silber. There is currently a 50/50 rule—50 percent of the seats must be reserved for nonsmokers. "If managed properly, it works," says Silber. Most people understand, and most people are willing to modify their habits, opting for a seat in the other section, notes Silber.

In addition to providing this ratio of seats, restaurants must post signs and file floor plans with city hall, specifying the smoking and nonsmoking areas.

According to Silber, since the new agreement there has been a big improvement in business. "Business is back up to previous levels, mostly by word of mouth and coverage by the local press," says Silber.

Meanwhile, in November 1987, the score was slightly evened as a nonsmoking ordinance went into effect in Los Angeles. It requires Los Angeles restaurant owners to designate half of their seating space for nonsmokers. Fortunately for smaller restaurants, it applies only to restaurants with more than 50 seats. Exempt from the requirements are places that specialize in the sale of alcoholic beverages, such as bars and nightclubs.

"I would say Beverly Hills wanted to be a trendsetter and a leader, but they ended up with a lot of egg on their face," concludes Silber. As an outcome of the experience, Beverly Hills restaurateurs have been publicizing their experience by talking against such stringent regulation at local government meetings. "Hopefully, it will save others from what we had to go through," says Silber.

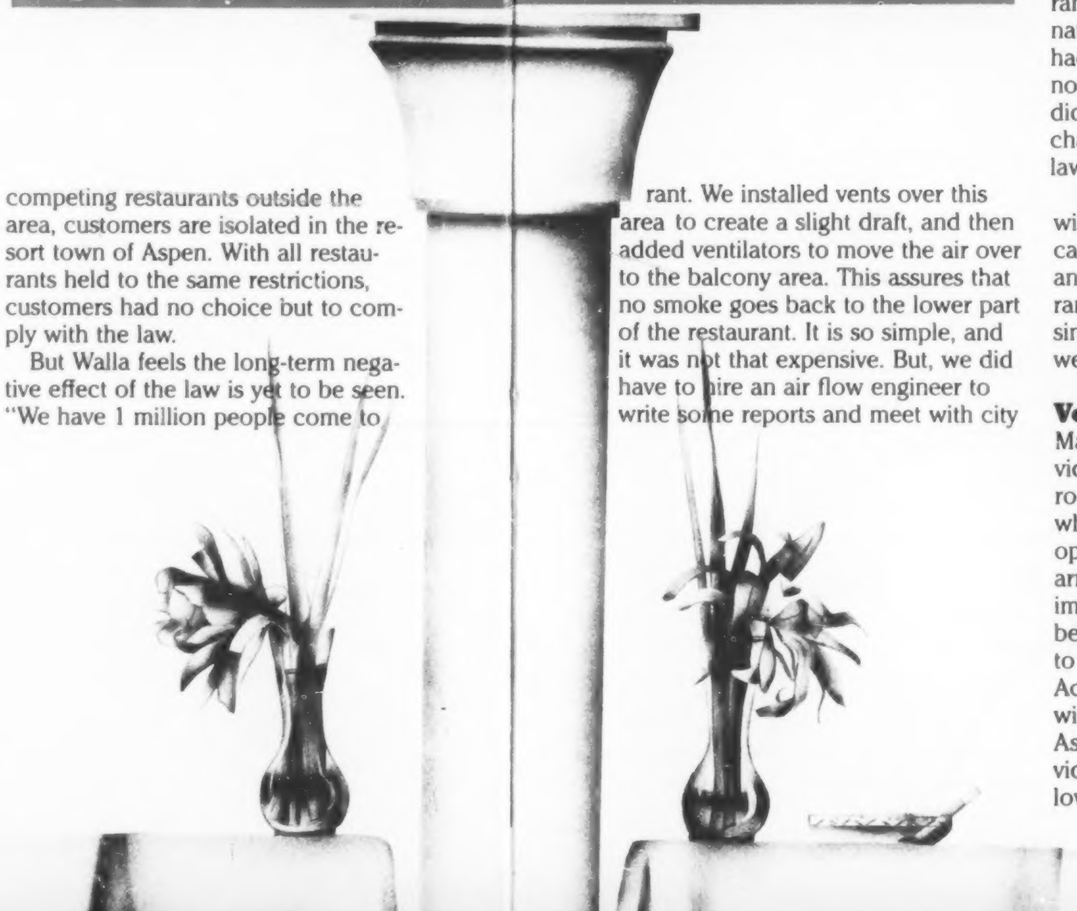
A nonsmoking town

Aspen, Colorado, was actually the first city in the country to ban smoking in restaurants. In 1985 Aspen passed an ordinance requiring either total no-smoking or a physical barrier between smoking and nonsmoking areas along with separate ventilation. Industry sources say the town is having trouble enforcing the law and, unofficially, it is being widely ignored. "As with any misdemeanor law, this type of law can soon become another 55 miles-per-hour speed limit law," tells John Walla, general manager of the 110-seat Ute City Banque Restaurant and Bar in Aspen.

Unlike Beverly Hills, however, where customers can easily travel to competing restaurants outside the area, customers are isolated in the resort town of Aspen. With all restaurants held to the same restrictions, customers had no choice but to comply with the law.

But Walla feels the long-term negative effect of the law is yet to be seen. "We have 1 million people come to Aspen each year. Statistically, 300,000 of them are smokers. If just 10 percent of them are offended by the law, that is 30,000 people (along with their families) who will not return. They can plan their next vacation to Vail, Steamboat, Utah or Europe. They will just redefine where they go. Most smokers admit they have a bad habit, but they do not want to be hassled about it when they are on vacation."

The Ute City Banque has been able to comply with the ordinance. "The ordinance mandated that we had to provide a separate physical area with separate ventilation," says Walla. "We have a small balcony area about six feet higher than the rest of the restaurant. We installed vents over this area to create a slight draft, and then added ventilators to move the air over to the balcony area. This assures that no smoke goes back to the lower part of the restaurant. It is so simple, and it was not that expensive. But, we did have to hire an air flow engineer to write some reports and meet with city officials in our restaurant for several hours to convince them that the system worked." Walla estimates the tempered-air unit they installed cost $6,000, the vents $2,000 and the engineer's time $700, but he says it was worth it because the restaurant picked up extra business.



Suzani

Fewer problems cited with indoor-air laws

More common than the all-out ban enacted in Beverly Hills and Aspen is the clean indoor-air law, which restricts, rather than bans, smoking in public places. Many restaurants across the United States operate under this type of restriction. Clean indoor-air laws can vary substantially in their toughness. Most simply require a restaurant (usually only restaurants with more than 50 seats) to create a nonsmoking area. But other statutes require a certain proportion of seats to be set aside regardless of the restaurant's clientele.

Like many other jurisdictions, Cambridge, Massachusetts, passed a stiff anti-smoking ordinance for public places that included a provision for smoking and nonsmoking areas in restaurants. At Michela's, a 75-seat Northern Italian, fine dining restaurant, five of the 22 tables are designated for smoking. Since Michela's had always offered both smoking and nonsmoking sections, the restaurant did not have to make any drastic changes when the clean indoor-air law was passed.

Despite the fact Michela's complies with the law, uneducated customers can have misconceptions, says Marianne DeHaro, hostess at the restaurant, "Some customers think that since the law applies to public places, we should be entirely nonsmoking."

Voluntary system works

Many restaurants have opted to provide smoking and nonsmoking environments for their customers even when no law demands it. And these operators are most satisfied with the arrangement. Not only is it easier to implement a policy that an operator believes in, but customers also tend to appreciate a voluntary move more. According to the results of a statewide survey by the Florida Restaurant Association, when restaurateurs provide nonsmoking areas, they report a lower frequency of complaints from the dining public. If possible, they designate separate rooms for smokers and nonsmokers. But if there is no separate room (as in the case of a one-room restaurant), usually the area near the door or near the ventilation system is set aside for smokers. Open kitchen areas—with their excellent ventilation—are popular seating alternatives for smokers.

Chains with companywide policies such as Frisch's Restaurants, Inc., in Cincinnati, Ohio, and the Marriott Corporation's Hotel Division, leave the choice to include nonsmoking areas up to the local management of their facilities. "The market varies so much," explains Paula Butler, manager of media relations for Marriott Hotels and Restaurants. "Management at the local property best knows the local customer mix."

Letting customers know about the seating option is vital to the success of a voluntary plan. Signs and table vents are one option. Server questioning is another. Asking customers, "Do you have a seating preference?" works better than the abrupt, "Smoking or nonsmoking?"

Providing a voluntary nonsmoking section can have some unexpected benefits, such as attracting a new customer base. "It was a risk, but I think it has been well worth it," says Donna Crisp of Irregardless in Raleigh, North Carolina. "We have many customers who have come to the restaurant for years and now bring their children. I think they feel that without the smoke it is a good environment for their children."

The move can also generate free publicity. The American Lung Association of Maryland's Nonsmokers' Rights Groups, for example, publishes "A Nonsmoker's Guide to Restaurants in Montgomery County" listing restaurants in the county that have designated nonsmoking areas. Consumers can order the guide at no cost.

In sum

In general, restaurateurs believe nonsmoking sections work well if they are voluntary or if flexibility is written into a local ordinance. When, however, a set ratio of seats is mandated by law or expensive specifications are set for dividing the smoking and nonsmoking areas or in the worst case—an all-out ban on smoking is enacted, the restrictions can hurt business. ☐

Kathy Boyle is a freelance writer in Rockville, Maryland, who writes frequently for **Restaurants USA.**

FISHER'S LAW

#90

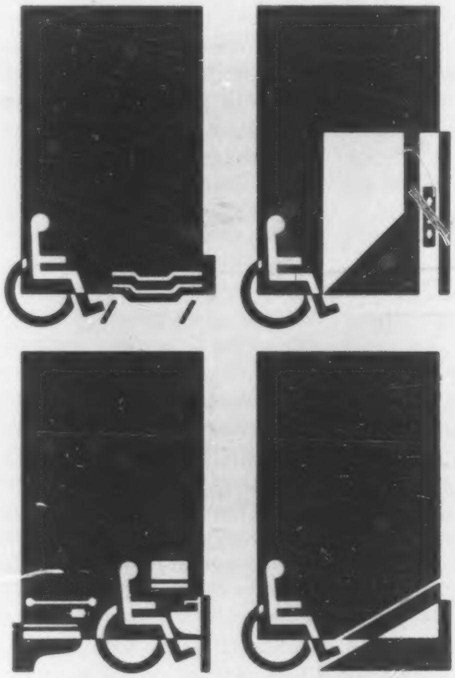
Business as usual—almost

In everyday life, we often run into clichés or "old sayings" that describe a circumstance we are encountering. These sayings are familiar because they are so widespread, and we've heard them or used them so often. The problem is that they don't always hold true. Here are 50 clichés I have adapted to the business world. You'll recognize the first clause, but the ending is new.

1. Behind every successful man there are . . . amazed in-laws.
2. If you don't have anything good to say . . . let's hear it.
3. The early bird gets . . . tired before you do.
4. All work and no play makes . . . for a good earnings report.
5. Do unto others . . . before they do unto you.
6. If at first you don't succeed, . . . abandon it.
7. Give them an inch . . . it's all they deserve.
8. An apple a day . . . makes apple growers ecstatic.
9. He who hesitates . . . has more information than you do.
10. The grass is always greener . . . where they spread the most fertilizer.
11. It's not what you know, it's . . . what you don't know that'll hurt you.
12. When in Rome . . . behave yourself.
13. I'd rather be right than be . . . left.
14. It takes two to . . . tangle.
15. Absence makes . . . the boss look yonder.
16. What goes up . . . should be sold.
17. If the shoe fits . . . get thicker socks.
18. Money is the root of all . . . investment.
19. There's no business like . . . good business.
20. When the going gets tough, . . . call for a consultant.
21. If it ain't broke, . . . don't even go near it.
22. Behind every cloud there's . . . usually thunder and lightning.
23. Haste makes . . . for exciting times.
24. An ounce of prevention . . . forestalls lawsuits.
25. Whistle while you work . . . and you'll annoy everyone within earshot.
26. Beauty is in the eye of . . . the right camera angle.
27. We have met the enemy, and he is . . . a tough competitor.
28. The bigger they are . . . the larger their advertising budget.
29. Necessity is the mother of . . . intervention.
30. A picture is worth . . . whatever you have to do to get the negative.
31. You scratch my back and . . . I'll knock your block off.
32. The shortest distance between two points . . . usually has a detour.
33. When all else fails, . . . read the help-wanted ads.
34. A bird in the hand is worth . . . today's market price.
35. Too many cooks . . . means you're overstaffed.
36. There's no time like . . . the future.
37. The way to a man's heart is through his . . . bank account.
38. May the best man . . . be on our side.
39. Never put off till tomorrow . . . what you can delay indefinitely.
40. Sticks and stones can break some bones, but names . . . can ruin a reputation.
41. Build a better mousetrap and . . . the competition will copy it immediately.
42. Little things mean . . . you'd better be detail-conscious.
43. He who laughs last . . . revels in revenge.
44. A penny saved . . . won't amount to very much.
45. Try, try again and at last you will . . . get a headache.
46. Still water . . . doesn't run.
47. Together we stand; divided we . . . had better take cover.
48. Patience is a . . . vice.
49. If you can't beat 'em . . . buy 'em.
50. Beauty is only . . . a press-release deep.

Fisher's Law #90. *Don't base your business life on clichés.*

Written with the assistance of Suzanne E. Fisher.



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Forty-five to 54-year-olds closeup

Their earning power alone is enough to warrant operator attention on 45 to 54-year-olds. In their peak earning years and without young children to keep them homebound, 45 to 54-year-olds are a force to be reckoned with. They represent more than 12 percent of industry traffic, and they tend to visit midscale and upscale establishments more frequently than do younger consumers.

Demographics

☐ **Income.** Thirty percent of all households headed by 45 to 54-year-old consumers earn at least $50,000 per year. Their median annual income in 1986 was $35,660, almost 10 percent greater than that of 35 to 44-year-olds.

In addition to earning large salaries, middle-aged consumers have larger expenses because they tend to be property owners. In 1986 more than 80 percent of all households headed by 45 to 54-year-olds owned their own homes. In addition, many 45 to 54-year-olds face the burden of college tuition for one or two children at the same time. Annual education expenditures for these middle-aged households are nearly double what they are for households headed by 35 to 44-year-olds.

Although it is difficult to gauge whether higher expenses affect their restaurant spending, slightly less was spent on food away from home by 45 to 54-year-olds than by 35 to 44-year-olds in 1985, according to the Bureau of Labor's *Consumer Expenditure Survey.* Food away from home accounted for 37.8 percent of total food spending for 35 to 44-year-old households versus 36.5 percent for households headed by 45 to 54-year-olds.

Forty-five to 54-year-olds in higher income brackets, however, spend more of their food dollar on restaurant fare. Those with annual household incomes of $40,000 or more spent 42 percent of their weekly food budget on food away from home, compared with 30 percent for those earning $20,000 to $29,999 per year. Moreover, these high earners spent more per person per week on restaurant meals than did 35 to 44-year-olds with similar incomes: $13.48 compared with $12.14.

☐ **Work.** During 1986, more than 90 percent of males aged 45 to 54 participated in the labor force and slightly less than 66 percent of similarly aged women were either employed or looking for work. Of the 45 to 54-year-old women not in the labor force, nearly 85 percent were keeping house. In fact, 30 percent of all 45 to 54-year-old women were homemakers in 1986, compared with 23 percent of females aged 35 to 44.

☐ **Family life.** Most 45 to 54-year-olds are married and have children. Of all households headed by these individuals, 83 percent are family households. But the families of 45 to 54-year-olds differ sharply from those of 35 to 44-year-olds because their children are older. Less than half of all family households headed by 45 to 54-year-olds include children under 18.

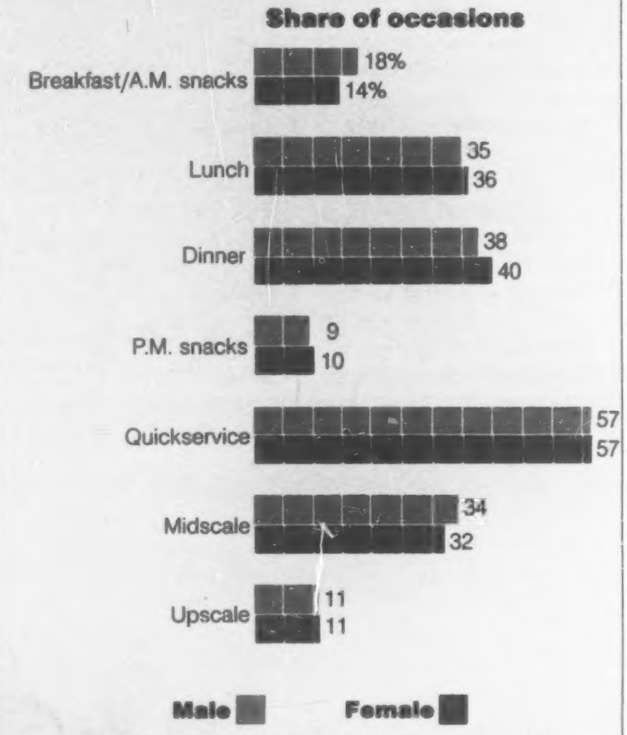
Older children mean smaller families because these children are often living on their own and supporting themselves. While 17 percent of the family households headed by 35 to 44-year-olds consist of two individuals, 31 percent—or nearly double the proportion—of families headed by 45 to 54-year-olds are two-person units.

The 45 to 54-year-old age group contributed just 5 percent of the total growth in takeout traffic between 1982 and 1986; while 35 to 44-year-olds contributed 25 percent of off-premises traffic growth.

Because of their demographic characteristics, these households have a different set of needs when eating away from home. If they have children living at home, these children are usually older and can contribute to choosing where and what the family will eat, or they can eat at restaurants on their own. And 45 to 54-year-olds with no

Distribution of occasions by meal period and segment for 45 to 54-year-olds

Quickservice restaurants had the largest share of total visits



Source: National Restaurant Association CREST survey, 1987

Share of restaurant occasions, 1986

	45 to 54-year-olds	35 to 44-year-olds	25 to 34-year-olds	All Consumers
Quickservice	57%	69%	73%	67%
Midscale	33	22	19	25
Upscale	11	9	8	8

Source: National Restaurant Association CREST survey, 1987

children living at home are free to make their dining choices unencumbered by the opinions of their children.

Midscale restaurants popular

Middle-aged consumers represent an important market for midscale establishments since they go to these restaurants more frequently than do younger customers. One-third of all restaurant visits by 45 to 54-year-olds are to midscale establishments, compared with 22 percent for those aged 35 to 44 and 19 percent for 25 to 34-year-olds.

Within the midscale segment, 45 to 54-year-olds frequent family style and varied-menu restaurants most often. These two types of restaurants account for nearly half of all midscale visits. Family steakhouses and cafeterias are also popular midscale eateries. In contrast, midscale ethnic restaurants are less popular with 45 to 54-year-olds than they are with the younger 35 to 44 age group.

According to CREST data, visits to upscale restaurants by 45 to 54-year-olds rose 22 percent between 1982 and 1986. Among all consumers, customer counts at upscale establishments increased just 10 percent. And during that same five-year period, 45 to 54-year-olds accounted for one-third of the overall growth in upscale traffic.

Forty-five to 54-year-olds make 11 percent of their restaurant visits to upscale establishments. When eating at upscale restaurants, 45 to 54-year-olds are partial to varied-menu and hotel restaurants. Fish, Mexican and Asian restaurants are also popular, but less so than with younger patrons.

Quickservice restaurants less popular

Quickservice restaurants are not as popular with this age group as they are with younger consumers. Fifty-seven percent of all restaurant occasions by 45 to 54-year-olds are to quickservice operations compared with 69 percent for 35 to 44-year-olds. Although quickservice traffic increased 14 percent among the middle-aged group between 1982 and 1986, this growth was below the quickservice segment average of 20 percent.

Within the quickservice segment, hamburger and pizza establishments are the restaurants of choice, accounting for more than half of all visits. Chicken and full-menu establishments are also popular, although to a much lesser degree.

Takeout use lower

Restaurant takeout is used less by 45 to 54-year-olds than by younger consumers. One-third of all restaurant visits by this age group were for takeout, compared with 45 percent for patrons between the ages of 35 and 44. Furthermore, an association study *The Takeout Market* revealed that 11 percent of 45 to 54-year-olds do *not* use restaurant takeout, compared with 6 percent of those age 35 to 44. Forty-five to 54-year-olds who are frequent users of takeout are more likely to patronize grocery stores for takeout than are younger consumers, and they are less likely to visit quickservice restaurants for takeout. With fewer young children and a lower percentage of females in the workforce, takeout is apparently not as important

Menu item gainers and losers among 45 to 54-year-olds

Pizza and ethnic foods have surged in popularity with this age group

	Percent change in orders 1982-1986
Pizza	+47%
Asian	+43
Mexican	+39
Pasta	+38
Main-dish salad	+36
Roast beef	−19
Steak	−9
Sandwiches	−5

Source: National Restaurant Association CREST survey, 1987

Weekly spending for food away from home by 45 to 54-year-olds

Households with greater income spend more per capita for food away from home

	Annual household income						
Age of household head	**Under $5,000**	**$5,000-$9,999**	**$10,000-$14,999**	**$15,000-$19,999**	**$20,000-$29,999**	**$30,000-$39,999**	**$40,000 and over**
45 to 54 years							
• Percent of weekly food budget	*	23%	27%	32%	30%	37%	42%
• Per capita	*	$3.64	$5.08	$6.62	$7.22	$9.89	$13.48

**Insufficient data*

Source: *Consumer Expenditure Survey, 1985:* Bureau of Labor Statistics, 1987 to this age group as it is to baby boomers.

Favorite foods

Sandwiches, beef, chicken, pizza, fish and seafood are the overall favorite restaurant foods of 45 to 54-year-olds. Sandwiches, pizza and chicken are the most popular menu choices at quickservice establishments. Hamburgers, included as a sandwich, were ordered on one in five visits, and pizza was chosen on 15 percent of all quickservice occasions. At midscale restaurants, sandwiches are also the most popular menu item, although beef and fish are favorites as well. Sandwiches were ordered on 21 percent of all midscale visits, and beef and fish were chosen on 13 and 10 percent of all occasions, respectively. Main-dish salads were also a popular midscale menu item, ordered on 9 percent of all visits.

> *Forty-five to 54-year old consumers accounted for more than one-quarter of the total growth in nonfried chicken and main-dish salads.*

At upscale establishments, fish and beef are the most popular menu items. Fish or seafood was ordered on 21 percent of all visits and beef on 16 percent. Ethnic dishes are a common choice at upscale restaurants as well, with orders for pasta, Mexican and Asian items occurring on 7 to 8 percent of all visits.

Although the popularity of ethnic food with 45 to 54-year-olds is most pronounced at upscale restaurants, total orders for pasta, Mexican and Asian dishes were up approximately 40 percent between 1982 and 1987. Pizza orders jumped by nearly 50 percent. In addition, food items that may be regarded as more healthful also showed strong growth. Nonfried chicken orders advanced nearly 30 percent, and main-dish salad orders increased by 36 percent. In fact, 45 to 54-year old consumers accounted for more than one-quarter of the total growth in nonfried chicken and main-dish salad orders.

Nutrition concerns high

The popularity of healthful menu items is not surprising considering the age of this consumer group. Surveys indicate that 45 to 54-year-olds are at a point in their lives at which diet is increasingly important.

Accordingly, three-quarters of the males between the ages of 45 and 54 surveyed in the association study *Consumer Nutrition Concerns and Restaurant Choices* said they restricted their intake of cholesterol and fat. Eighty-one percent consumed fiber, and 61 percent controlled their intake of salt. Of the females surveyed, 90 percent said they restricted salt in their diets, and 70 percent controlled their consumption of fat and cholesterol.

Although this age group may not be open to all healthful food concepts, especially ones that feature nontraditional restaurant food, diet and nutrition can be effective selling points. Another way to appeal to these consumers' health concerns might be by honoring special diet requests, such as cooking without salt or substituting corn oil for butter when sauteeing.

—Laurence Greenberg

New wage and benefits study

Questions frequently asked by restaurant operators include: Am I paying my unit managers enough? How large a bonus should I offer my food and beverage director? How much does a vice president of marketing make? What changes are anticipated in benefits programs over the next two years? Restaurateurs faced with these types of compensation and benefit questions will find assistance in the new ***National Restaurant Association Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987.***

A wealth of compensation information for 23 executive and salaried positions in the foodservice industry is now available, based on a member survey conducted by the association in cooperation with the national accounting and consulting firm Laventhol and Horwath.

Median base salary and median bonus data are presented for each position, together with upper and lower quartile figures. Compensation and bonus information for every position is available. This information is broken down by a variety of parameters, such as type of restaurant, scope of operation and sales volume. In addition, information on industry perquisites, vacation policy and benefits program changes is also presented in the report.

Using this study, restaurateurs can compare their own compensation policies and practices with those of companies having similar characteristics.

Base salaries

According to the 1987 survey, median annual base salaries ranged from $76,500 for the position of chairman of the board to $15,600 for manager trainees.

Among the vice president positions, compensation levels varied dramatically, depending upon the specific area of responsibility. Median annual base salaries ranged from $30,000 for the vice president of personnel/human resources to $53,000 for the vice president of finance.

A review of the various compensation breakouts for the vice president positions shows that the organization's scope of operation and sales volume are important factors in determining compensation levels. For example, the median annual base salary for the position of vice president of operations was $36,000 for organizations operating on a local basis compared with $75,000 for organizations operating internationally. For foodservice operations with an annual sales volume of less than $1,000,000, the median base salary was $25,000 for a vice president of operations. The salary figure jumped to $66,000 at operations with an annual sales volume of $10,000,000 or more.

Unit manager compensation information available

The association survey covers compensation for more than 33,000 unit managers and assistant unit managers. The median base salary for unit managers was $24,000, and it was $18,000 for assistant unit managers.

How to order the Survey

A copy of the *Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987* costs $25 for members ($50 for nonmembers). When ordering, please be sure to include payment plus a 10 percent shipping and handling fee and any applicable tax. Washington, DC, residents must add a 6 percent sales tax. Illinois residents must add 7 percent and Chicago, Illinois, residents must add an additional 1 percent, making their total tax 8 percent. No purchase orders, please.

You may charge orders by including name of charge card, name of cardholder, card number, expiration date and signature. Credit card telephone orders are also accepted. Call the National Restaurant Association at (800) 424-5156 (toll-free) or (202) 331-5900. Checks or money orders should be sent to the National Restaurant Association, 1200 Seventeenth Street, N.W., Washington, DC 20036-3097. Please specify number CS155 when ordering.

Foodservice industry compensation for salaried employees and executives 1987

On the low end of the scale are management trainees, assistant unit managers. On the high end of the scale are the chairman of the board and president

Position	Total number of positions	Median annual base salary	Total number of positions	Median annual bonus[1]
Owner	1,344	$42,000	365	$15,000
Chairman of the Board	112	76,500	34	40,000
President	560	55,000	195	20,000
Vice President of:				
Operations	548	45,000	277	10,000
Finance	156	53,000	68	10,000
Marketing	171	42,000	64	9,900
Personnel/ Human Resources	147	30,000	51	6,000
Distribution/ Purchasing	113	34,000	43	6,000
Treasurer	177	26,000	52	10,000
Controller	361	32,000	107	4,000
Training director	137	32,000	40	6,000
Food and beverage director	504	30,000	146	4,650
Banquet manager	305	19,500	86	4,000
Unit manager	14,339	24,000	10,672	4,000
Assistant unit manager	19,127	18,000	9,118	2,000
Night manager	1,487	18,200	431	1,250
Manager trainee	3,820	15,600	110	1,200
Dining room manager	1,216	18,950	521	1,500
Kitchen manager	1,826	19,500	904	1,500
Executive chef	560	30,441	161	3,600
Chef	1,398	23,000	424	2,000
Regional manager	872	40,500	330	6,000
District manager	1,580	35,000	1,110	6,350

[1] *Only for positions reporting annual bonus*

Source: National Restaurant Association, *Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987*, 1988.

Compensation for unit manager

Median salaries are higher for restaurants with greater sales and for full-menu restaurants

	Median annual base salary	Median annual bonus*
By sales per restaurant		
Less than $500,000	$19,000	$3,000
$500,000-$999,999	22,000	3,500
$1,000,000 to $1,999,999	25,800	5,000
$2,000,000 and over	33,000	6,000
By type of restaurant		
Full-menu/tableservice	$26,000	$4,000
Limited-menu/tableservice	22,000	4,425
Limited-menu/no tableservice	21,000	3,000
Cafeteria/full-menu	25,000	3,000
Other	21,900	4,034

**Only for positions reporting annual bonus*

Source: National Restaurant Association, *Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987, 1988.*

Most and least often offered perquisites

Most frequently offered
- Company-furnished meals
- Major medical insurance
- Medical/surgical insurance
- Health and accident insurance
- Professional seminars

Least frequently offered
- Financial services
- Guaranteed sales price of home
- Legal services
- Charitable contributions matched
- Mobile car telephone

Source: National Restaurant Association, *Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987, 1988.*

The top five changes in benefit programs

Made in 1987
- Improved medical coverage
- Improved dental coverage
- Instituted profit-sharing
- Improved group life/health insurance
- Instituted incentive bonus program

Planned for next two years
- Provide profit-sharing
- Offer an incentive bonus program
- Improve health insurance
- Institute a pension plan
- Establish a 401-K plan

Source: National Restaurant Association, *Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987, 1988.*

The median annual base salary for unit managers increased as the annual sales per restaurant rose. Unit managers working at a restaurant with annual sales of less than $500,000 received a median base salary of $19,000, compared with $33,000 at a restaurant with annual sales of $2 million or more.

Median annual bonuses for unit managers also increased as sales per restaurant increased. The median annual bonus for a restaurant with sales of $2 million or more was $6,000—double that for a restaurant with sales of less than $500,000.

When unit manager salaries were examined by type of restaurant, the individuals at full-menu/tableservice establishments received the highest median annual base salary: $26,000. Unit managers at limited-menu/no-tableservice operations received a lower $21,000.

As would be expected, assistant unit managers received lower compensation levels than did unit managers. Of the 19,127 assistant unit manager positions reported in the survey, the median annual base salary was $18,000 or $6,000 a year less than the unit manager base salary. For those assistant unit managers reporting an annual bonus, the median annual bonus was $2,000 compared with $4,000 for unit managers.

Company meals are top perk

In addition to base salary and bonus information, the association survey also asked respondents to indicate if their company offered each of 35 perquisites to the majority of salaried employees and executives. Respondents were asked to indicate whether the perquisite was paid completely or partially by the company.

Not surprisingly, company-furnished meals were the most frequently offered perquisite. Almost 7 out of 10 respondents (68.4 per-

Profile of contributors

A total of 1,508 surveys were used to produce the *Survey of Wages and Benefits for Salaried Employees and Executives in the Foodservice Industry—1987.* These respondents represented 19,200 units, which employed more than 763,000 workers and reported total annual sales of $23 5 billion.

The response by association members to the 1987 survey was nearly triple that for three previous compensation studies. This large response rate allows the association report to provide more detailed data on base salaries, annual bonuses, and perquisites.

The following is a profile of the typical contributor to the 1987 compensation and benefits survey:

☐ Privately-held corporation
☐ Full-menu/tableservice operation
☐ Operates locally
☐ Has annual sales of $1,500,000 and
☐ Employs 55 people

How the positions are analyzed. All 23 positions covered by the survey are analyzed by each of the following categories and breakouts:

☐ **Type of organization**
Sole proprietorship
Partnership
Public corporation
Private corporation

☐ **Type of restaurant**
Full-menu/tableservice
Limited-menu/tableservice
Limited-menu/no tableservice
Cafeteria/full menu

☐ **Scope of operation**
Operates locally
Operates in several localities within one or two states
Operates within one region of the country
Operates within the United States
Operates internationally

☐ **Annual sales volume**
Less than $1,000,000
$1,000,000—$1,999,999
$2,000,000—$4,999,999
$5,000,000—$9,999,999
$10,000,000 and over

☐ **Sales per restaurant**
Less than $500,000
$500,000—$999,999
$1,000,000—$1,999,999
$2,000,000 and over

cent) indicated that their company provided meals free. Another 18 percent noted that their company partially paid for meals.

Other popular perquisites included health, accident, medical, and major medical insurance, and paying for employees to attend professional seminars. The least common perquisites included legal and financial services and guaranteeing the sales price of an employee's home when the individual relocates. Just 6 percent of the respondents indicated that their company paid for the cost of a mobile car telephone.

Medical and dental coverage improvements

Participants in the survey were also asked to indicate any significant changes to their benefits programs in the past year and any changes anticipated for the next two years. Approximately one out of every five respondents indicated changes.

Among those respondents reporting significant changes to their benefits program in the last year, improvements in medical and dental coverage were the top two changes indicated. The institution of profit-sharing programs and incentive bonus programs were also popular.

When asked to comment on changes foreseen over the next two years, the initiation of some form of profit-sharing program was the most frequent response. Almost one out of every five respondents (19.2 percent) indicating a benefit program change noted that a profit-sharing program would be developed sometime within the next two years.

—Hudson Riehle

Foodservice employment to top 11 million by 2000

According to Bureau of Labor Statistics (BLS) projections, the foodservice industry is expected to employ 11.4 million workers by the year 2000, up from 8.2 million in 1986. This makes the foodservice industry one of the leading generators of job growth in the United States.*

The eating and drinking place industry is one of the nation's top employers and is expected to continue to be so through the end of the century. Employment in the eating and drinking place industry, which accounts for most of foodservice industry workers, is expected to increase by more than 40 percent between 1986 and 2000. This translates into a 2.6 percent annual rate of growth. Among retail trade industries, eating and drinking places are expected to boast the highest employment growth rate, behind miscellaneous shopping goods stores. In contrast, grocery stores and department stores are projected to increase their employment by only 1.5 percent and 1.3 percent annually between 1986 and 2000. Manufacturing industries are expected to suffer job losses during this period, with employment falling at a 0.3 percent annual rate. This is part of the continuing shift in the U.S. from a manufacturing

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**This figure is a combination of eating and drinking place industry employment and individuals employed in foodservice occupations working in other industries.*

[illegible]

Increases in employment are expected for all occupations

	Employment (000s)		**Percent**
Occupation	**1986**	**2000**	**change**
Administrative support employees, including clerical	105	130	24%
Food preparation and service workers	4,743	6,719	42
• Bartenders	253	370	46
• Bread and pastry bakers	31	49	58
• Cooks and chefs	958	1,335	39
Restaurant	382	559	46
Institution or cafeteria	30	58	93
Short order and fast food	546	718	32
• Food preparation and service workers, fast food	1,206	1,588	32
• Food preparation workers, except fast food	454	665	46
• Hosts/hostesses	143	207	45
• Waiters/waitresses	1,347	1,971	46
• Waiter/waitress assistants	285	437	53
• All other foodservice workers	66	97	47
Managerial and management-related workers	359	541	51
• Foodservice and lodging managers	197	302	53
• Other managers and support workers	162	239	48
Marketing and sales workers	304	450	48
• Cashiers	259	379	46
All other workers	368	525	43
TOTAL	**5,879**	**8,365**	**42%**

**Only includes workers in SIC code 58 and does not include workers in foodservice segments such as institutional and lodging*

Source: U.S. Department of Labor, Bureau of Labor Statistics based economy to a service-based one.

Service industries, in fact, will be the foodservice industry's major competition for workers during the next decade. The entire services sector is expected to grow by more than 10 million workers, with many service-oriented industries showing dramatic employment growth. Business services industries are projected to see employment advance 3.9 percent each year while health services industries should see their employment level rise by 2.9 percent annually. Hotel and lodging place employment is forecast to increase by more than half a million workers, with a growth rate similar to that of eating and drinking places.

Fast food jobs are expected to show the lowest growth among foodservice occupations.

Restaurant cooks lead occupations in growth

According to BLS, foodservice occupational employment is forecast to advance 36 percent between 1986 and 2000. Leading that growth are jobs for restaurant cooks and waiter/waitress assistants. They are expected to increase in number by 46 percent over the 14-year period. Waiter and waitress jobs should account for the greatest share of new foodservice occupations—nearly 30 percent or more than 700,000 workers.

In contrast, fast food jobs are expected to show the lowest growth among foodservice occupations, behind institutional or cafeteria cooks. Still, fast food preparation and service occupations are projected to gain nearly a half million workers. Bread and pastry bakers, hosts and hostesses, and bartenders are expected to be jobs of strong growth, with employment gains forecast in the 40 percent range.

Waiter and waitress jobs should account for the greatest share of new foodservice occupations.

Who will fill these jobs?

At present, many operators are having difficulties trying to recruit employees, and some are operating short-staffed. With a 40 percent increase in employment predicted by BLS for the eating and drinking place industry over the next 14 years, who is going to fill these job vacancies?

BLS expects these positions to be filled by a growing civilian labor force that is forecast to expand by 21 million persons between 1986 and 2000, down from the gain of 31 million persons between 1972 and 1986. On an annual basis, employment growth is expected to slow to a 1.2 percent rate. Growth was 2.2 percent annually between 1972 and 1986.

The labor force of 2000 will have a larger percentage of older workers

	Civilian Labor Force			
	actual 1986 (000s)	**percent of total labor force**	**projected 2000 (000s)**	**percent of total labor force**
Total, 16 and older	117,837	100.0%	138,775	100.0%
Men	65,423	55.5	73,136	52.7
16 to 19	4,102	3.5	4,501	3.2
20 to 24	8,149	6.9	7,005	5.0
25 to 34	19,383	16.4	16,559	11.9
35 to 44	15,029	12.8	20,133	14.5
45 to 54	9,994	8.5	16,332	11.8
55 to 64	6,954	5.9	7,238	5.2
65 and older	1,812	1.5	1,368	1.0
Women	52,414	44.5	65,639	47.3
16 to 19	3,824	3.2	4,379	3.2
20 to 24	7,293	6.2	6,746	4.9
25 to 34	15,209	12.9	15,098	10.9
35 to 44	12,204	10.4	18,438	13.3
45 to 54	7,746	6.6	14,220	10.2
55 to 64	4,940	4.2	5,732	4.1
65 and older	1,198	1.0	1,026	0.7

Source: U.S. Department of Labor, Bureau of Labor Statistics

Middle-aged female workers increase

The civilian labor force in the year 2000 will be decidedly older than at present as the number of persons in the labor force between the ages of 35 and 44 and 45 and 54 increases by 42 and 72 percent, respectively. In contrast, workers aged 20 to 34 are projected to decline in number between 1986 and 2000. By the start of the 21st century, persons 35 to 54 years of age are forecast to represent nearly half of the civilian labor force, up significantly from a 38 percent share in 1986. At the same time, 16 to 24-year-olds should account for a smaller share of the labor force in 2000—16 percent compared with 20 percent in 1986.

During the same period, females are expected to enter the labor force at double the rate for males. Although males will still account for the majority of U.S. workers, that percentage is expected to decline from 56 percent in 1986 to 53 percent in 2000. Of the 21 million new additions to the labor force between 1986 and 2000, 63 percent will be females.

[illegible]

Employment should increase in all foodservice occupations in coming years

Occupation	**Employment (000s)** **1986**	 **2000**	**Percent change**
Bread and pastry bakers	114	162	42%
Bartenders	396	553	40
Cooks and chefs	1,500	1,991	33
• Institutional or cafeteria	389	457	17
• Restaurant	520	759	46
• Short order and fast food	591	775	31
Food preparation and service workers, fast food	1,500	1,949	30
Food preparation workers except fast food	949	1,273	34
Hosts/hostesses	172	245	42
Waiters/waitresses	1,702	2,454	44
Waiter/waitress assistants	433	631	46
All other foodservice workers	338	447	32
TOTAL	**7,104**	**9,705**	**36%**

**Does not include professional, technical or sales workers*

Source: U.S. Department of Labor, Bureau of Labor Statistics

[illegible]

The racial and ethnic makeup of the workforce is changing

	Labor force* **1986**	 **2000**	**Annual growth rate**
Total	117.8	138.8	1.2%
Black	12.7	16.3	1.8
Hispanic	8.1	14.1	4.1
Asian and other	3.4	5.7	3.9

**figures in millions*

Source: U.S. Department of Labor, Bureau of Labor Statistics

Minorities behind labor force growth

One of the most dramatic changes occurring in the civilian labor force is the sharp growth in the presence of minorities. Between 1986 and 2000, nearly six of every 10 new entrants into the labor force are expected to be Black, Hispanic, Asian or members of another minority group. Because of higher birth rates and/or immigration, minorities are expected to enter the labor force at annual rates that far outstrip those of the total population. Asians and Hispanics are each projected to increase their presence in the labor force at a 4 percent annual rate, more than triple the overall U.S. rate of 1.2 percent.

Foodservice response to job growth

In order for the foodservice industry to fill the estimated 3 million new positions that BLS projects will be created between 1986 and 2000, it would have to employ 15 percent of the new entrants to the U.S. civilian labor force. In 1986, the industry accounted for only 7 percent of the civilian labor force. But in recent years, eating and drinking places have been responsible for a larger share of new employment, accounting for 14 percent of the 9.2 million jobs created between 1980 and 1986. If the foodservice industry is to meet BLS projections, it will need to continue to attract this large a share of workers.

In doing so, the foodservice industry labor force of 2000 will be a very different one from what it was in 1986, with fewer teens and young adults, more minority workers and a generally older workforce. Already the foodservice industry has begun to face these changes. The median age of eating and drinking place employees is on the rise after falling dramatically from 1970 to 1980. Teens, whose representation in the industry workforce dropped from 32 percent in 1978 to 25 percent in 1986, could make up less than 20 percent of eating and drinking place industry employment by the late 1900s.

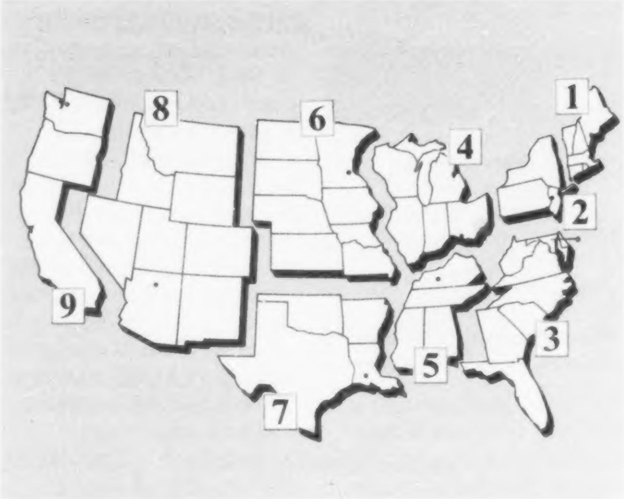
The racial and ethnic makeup of the industry's workforce is changing as well, although proportions vary throughout the country depending upon the racial and ethnic makeup of local populations. The percentage of Blacks working in the eating and drinking place industry increased from 8.1 percent in 1980 to 10.3 percent in 1986. During that same time, the number of Hispanic workers grew from 6.7 to 8.2 percent of the industry workforce.

One trend occurring in the foodservice industry that runs counter to movements in the civilian labor force is the increasing share of male employment. Although females still constitute the majority of employees in the industry, male employment has recently been growing at a faster rate. From 1980 to 1986, the proportion of women in eating and drinking places dropped two percentage points, from 60 to 58 percent. Although women are expected to account for more than 60 percent of U.S. labor force growth into the next century, they will likely account for less than that in foodservice.

In sum

Because the foodservice industry is one of the leading generators of job growth in the nation, it will have many positions to fill between now and the year 2000. As evidenced by changes that are already occurring, the industry labor force will be very different by the turn of the century. In order to take advantage of these changes, restaurateurs should focus their recruitment strategies on population groups that are growing in number, such as older workers and minorities.

—Laurence Greenberg



Location: South Portland, ME
Association members: Ed McBride, Lynda McCann, Steve Beaulieu, Nancy Hybers
Operation: Channel Crossing Restaurant
Profile: Fine dining restaurant specializing in seafood
In business: 4 years
Seats: 120
Meals served: Lunch, dinner

"Business is starting to pick up," says **Nancy Hybers**, general manager of South Portland's Channel Crossing Restaurant. "Traffic becomes steady in the springtime, and summer is off the wall." Portland's economy, she adds, is strong, with lots of new restaurant openings.

The Channel Crossing, located directly across the harbor from Portland, offers customers a beautiful view of Maine's largest city. Although the restaurant opened as a steakhouse, its emphasis has gradually moved toward seafood. The daily chef's special is often a Cajun-style dish. Customers who save room for dessert often opt for the restaurant's famous mud pie, a chocolate cookie crust filled with mocha chocolate ice cream, fudge, whipped cream and slivered almonds.

Location: Trenton, NJ
Association member: Pete Lorenzo
Operation: Lorenzo's Cafe
Profile: Historic upscale restaurant
In business: Over 150 years
Seats: 100
Meals served: Lunch, dinner

"Business has been good, although it always slacks off a bit during Lent," says **Tony Merlino**, owner of Lorenzo's Cafe. "Trenton's really making a comeback," he adds, "and there's lots of building going on."

Lorenzo's, located right across from the Trenton train station, has been a landmark in the New Jersey state capital since the 1830s. The restaurant has been popular with politicians and celebrities throughout the decades. It also draws a steady crowd of local professionals and patrons from as far away as Philadelphia and New York.

According to Merlino, Lorenzo's Cafe has retained many of its original features from "the horse and buggy days," including the old-fashioned bar and woodwork, and a spitoon with running water in the lounge. "The old ceilings are the only element we covered up," adds Merlino, "because authentic tin ceilings become tragic with noise when there are more than 10 people in the room."

Lorenzo's menu is varied. It includes veal, pork chops, chicken and three or four fresh fish dishes that change daily. Aged meats, such as sirloin and fillets, are signature items, as are the homemade desserts.

Location: California, MD
Association members: Daniel Rebarchick, Wayne Vanderslice
Operation: Lenny's Restaurant
Profile: Fullservice restaurant with a continental menu
In business: 36 years
Seats: 140
Meals served: Breakfast, lunch, dinner

"Customers are starting to come back after the winter drought," says **Dan Rebarchick**, chef/owner of Lenny's Restaurant. The restaurant, located on Maryland's scenic eastern shore, has a strong base of local clientele that helps offset the area's seasonal economy. "The tourists," says Rebarchick, "are gravy."

Lenny's "is a mom-and-pop restaurant with the quality of an upscale," says the owner proudly. A piano player entertains on Friday and Saturday nights and also during Sunday brunch.

Rebarchick's menu ranges from oysters, clams and local bay fish to veal and prime ribs. The popular fresh seafood basket is filled with oysters, clams, shrimp and, says Rebarchick, "just about anything else fresh we can throw into it."

Location: Montgomery, OH
Association member: Theodore Gregory
Operation: Montgomery Inn
Profile: Midscale restaurant specializing in ribs
In business: 37 years
Seats: 480
Meals served: Lunch, dinner

At the Montgomery Inn, Ohio's highest-grossing independent restaurant, the line of customers "just doesn't quit," says owner **Ted Gregory**. "We're up 20 percent over last year," he adds, "even though the economy is slow in Cincinnati."

The nationally known inn, which is located 14 miles outside of Cincinnati, specializes in loin back ribs that are cooked in a special sauce developed by Gregory's wife. Because he goes through seven to eight tons of ribs each week at the restaurant, Gregory buys the meat in bulk to avoid the dangers of price fluctuations. His most recent purchase was 1.5 million tons.

Of the 2,400 meals served on a typical Saturday night, 2,000 usually are for ribs or combinations of ribs with shrimp, chicken or duck.

Gregory's customers include many celebrities, such as the many professional athletes who pass through Cincinnati, but the reasonable prices—$12.95 for a whole slab of ribs is the menu's high end—make the Montgomery Inn accessible to the masses. "Give the people something good to eat without robbing them, and they'll come back," says Gregory.

5 EAST SOUTH CENTRAL

Location: Madisonville, KY
Association member: Marcie Burdon
Operation: Sunshine Cafe
Profile: Fullservice family restaurant
In business: 1 year
Seats: 146
Meals served: Breakfast, lunch, dinner

"With the weather starting to break, business is really coming around," says **Marcie Burdon**, manager of the Sunshine Cafe. The comfortable country restaurant, located in western Kentucky, attracts lots of regular customers with its varied menu, packed with 150 items that can be ordered 24 hours a day. "Some customers," says Burdon, "are in here six or seven times a week. They become your family."

Menu offerings at the cafe range from bacon and eggs and Belgian waffles to catfish, meatloaf and homemade chicken and dumplings. Two new items that have been moving well are Cajun chicken and chicken marinated in a honey lemon sauce.

6 WEST NORTH CENTRAL

Location: St. Paul, MN
Association member: Julie Obermiller
Operation: Muffuletta in the Park
Profile: Casual French-style brasserie
In business: 11 years
Seats: 150; 250 with outside deck
Meals served: Lunch, dinner

"Business has been wonderful," says **Julie Obermiller**, manager of Muffuletta in the Park, a casual brasserie-style restaurant housed in the Tudor-style building in the St. Anthony Park section of St. Paul. "Our economy is good, and local restaurants seem to be doing well."

The restaurant, which serves an eclectic selection of French and Italian cuisines, is named after the muffuletta sandwich, which originated on the border of France and Italy and is made on a round loaf of bread with Italian cold cuts, cheese, lettuce, cracked olives and seasonings.

According to Obermiller, the typical Muffuletta customer is a sophisticated diner, such as the professors from the four surrounding colleges.

Specialties of the house include breast of chicken stuffed with pistachio, walnuts and raisins and topped with a marsala sauce; fettucine carbonara; veal buttuta, marinated in Italian seasonings and grilled; and tortellini baronessa, cooked with mushrooms, prosciutto and cheese in an alfredo sauce.

7 WEST SOUTH CENTRAL

Location: Breaux Bridge, LA
Association member: Kerry Boutte
Operation: Mulates
Profile: Cajun restaurant and nightclub
In business: 8 years
Seats: 289
Meals served: Breakfast, lunch, dinner

"Business is terrific," says **Nancy Broussard**, public relations manager at Mulates, a well-known Cajun restaurant located in Breaux Bridge, "the crawfish capital of the world." The restaurant draws a steady crowd of tourists beginning in mid-February, but it also relies on local families who come to eat traditional foods and dance to live Cajun music.

Mulates was a historic nightclub and dancehall, but not a restaurant, until owner Kerry Boutte opened the cafe in 1980, retaining live music seven nights a week and also at lunch. Mulates' well-worn dancefloor, says Broussard, "has seen 50 years of dancing," and the bandstand, backed by a 3-D mural of a swamp scene, is often graced by some of the most venerated Cajun musicians.

The menu at Mulates, as authentic as the entertainment, is dominated by seafood cooked in the traditional Cajun style. Many of the items are fried in cholesterol-free cooking oil.

[illegible]

Location: Williams, AZ
Association member: Lawrence Sanchez
Operation: Rod's Steak House
Profile: Midscale steakhouse
In business: 8 years
Seats: 150
Meals served: Lunch, dinner

At Rod's Steak House, located one mile away from the Grand Canyon on Interstate 40, business is down an average of 6 or 7 percent compared to last year. Owner **Lawrence Sanchez** blames Arizona's unstable political situation for the decline. "The tours and conventions are avoiding Phoenix," he says, "and those people usually visit the Grand Canyon." Because of the devalued American dollar, however, Sanchez believes that this summer will bring lots of tourists from Europe and Japan. "It should be as good as or better than last summer, which was the best we've had," he speculates.

Rod's specializes in mesquite-broiled steaks served at reasonable prices. An 11-ounce cut served with a potato, soup or salad and rolls and butter, for example, costs $10.95.

According to Sanchez, Rod's western motif, location and food have made the 150-seat steakhouse a favorite stop for U.S. and foreign tourists. "I get letters from all over, like Brazil, England and Holland," he says proudly. Many of the letters, he adds, are requests for copies of his distinctive steer-shaped menu.

[illegible]

Location: Bothell, WA
Association member: Al Bayer
Operation: Alexander's Restaurant
Profile: Midscale family restaurant
In business: 17 years
Seats: 240
Meals served: Breakfast, lunch, dinner

"We're 10 percent above last year," says **Al Bayer**, owner of Alexander's Restaurant, located north of Seattle in Bothell, Washington. "The economy is good, and we recently upgraded the place, making it cheerier and more attractive," he says. Another business-booster, adds Bayer, is a year-old promotion in which "$4 off" coupons come up on every fifth or sixth register receipt. This promotion, similar to those used at some supermarkets, "has helped us tremendously," says Bayer.

Alexander's Main Street location and senior citizens' and children's specials bring in lots of families and regulars. The restaurant opens at 5:30 a.m. for breakfasts that include eggs benedict and homemade waffles and pancakes.

—David Slater

West meets East?

"East meets West"—the use of Asian culinary characteristics in Western foods—is one of America's most-talked-about food trends. In the Little Tokyo section of Los Angeles, however, the trend seems to have swung the other way, manifesting as Japanese spaghetti houses.

The Oriental flavor and look is revealed in unusual pasta toppings, such as raw egg, sea urchin and curry; or enoki mushrooms, soy sauce and cod roe with a pat of butter on top. Even the more traditional tomato sauces used in these spaghetti houses tend to be unlike anything found in an Italian momma's kitchen. Soy sauce and hot pepper sauce to spice the spaghetti are usually found on the tables, and some restaurants serve pickled condiments, too. *—Los Angeles Times*

Brave new foods

There are more new foods on the horizon, thanks to the efforts of various state agricultural experiment stations. Here is a preview from a recent conference:

☐ Supercarrots, a new variety with 50 percent more carotene than average.

☐ Barley breadsticks with extremely high dietary fiber content. Researchers say the sticks show promise as a dietary means of lowering blood cholesterol levels.

☐ Ocean nuggets, tasty fish balls that scientists made from underused species, such as red hake with squid, squid with pollack or shark with pollack.

☐ Lean pork from wild boar, a species whose meat has been unacceptable to diners because of a strong gamey flavor. Michigan State University researchers developed a way to remove delta 16 steroids, the offending scent-makers, thus producing flavorful, lean meat.

—Edelman Food Update

American students win prizes in British Open

A team of students from Johnson and Wales College recently won 23 prizes in the British Open Cooking Championship in London, the major cooking event in the United Kingdom. They were the first American team to enter the contest. The British Open serves as a warm-up for the International Culinary Olympics, which will be held in Frankfurt, Germany, next fall.

The Johnson and Wales team competed in the junior level, or under-21 division, at the event. The students won three challenge trophies, the highest possible award, in the avocado, egg and pasta competitions. They also took four silver medals in the cook-and-serve category, which required teams of a cook and a waiter to prepare and serve a menu chosen by the judges to two guests from the audience.

To prepare themselves, the six third-year students at the Providence, Rhode Island, cooking school had to learn and relearn uniquely British skills and lingo, said team manager Noel Cullen, the director of operations for the Johnson and Wales Culinary Arts Division. He trained his students to cook in the European style in the eight weeks before the open. "They had to learn different ways of preparing meat, fish and poultry," said Cullen. "They were learning names like courgette for zucchini and mange-tout for snow peas. The etiquette was different. There are different ways of using a knife. The basic butchery cuts are different."

—New York Times

How consumers read menus

According to 1,012 consumers in a recent Gallup Survey on the arrangement of menu items, consumers spend an average of two minutes looking at a menu. Other findings:

☐ Two or three-page menus are more popular than single-page menus, but the number of pages does not influence whether customers order courses in addition to the entree.

☐ When faced with a list of six or more items, people are more likely to order from the top.

☐ When considering courses other than entrees, consumers are more likely to order items centered on the page.

☐ When ordering desserts, most respondents prefer a dessert cart rolled to the table. Least liked: separate dessert menu.

—Briefing

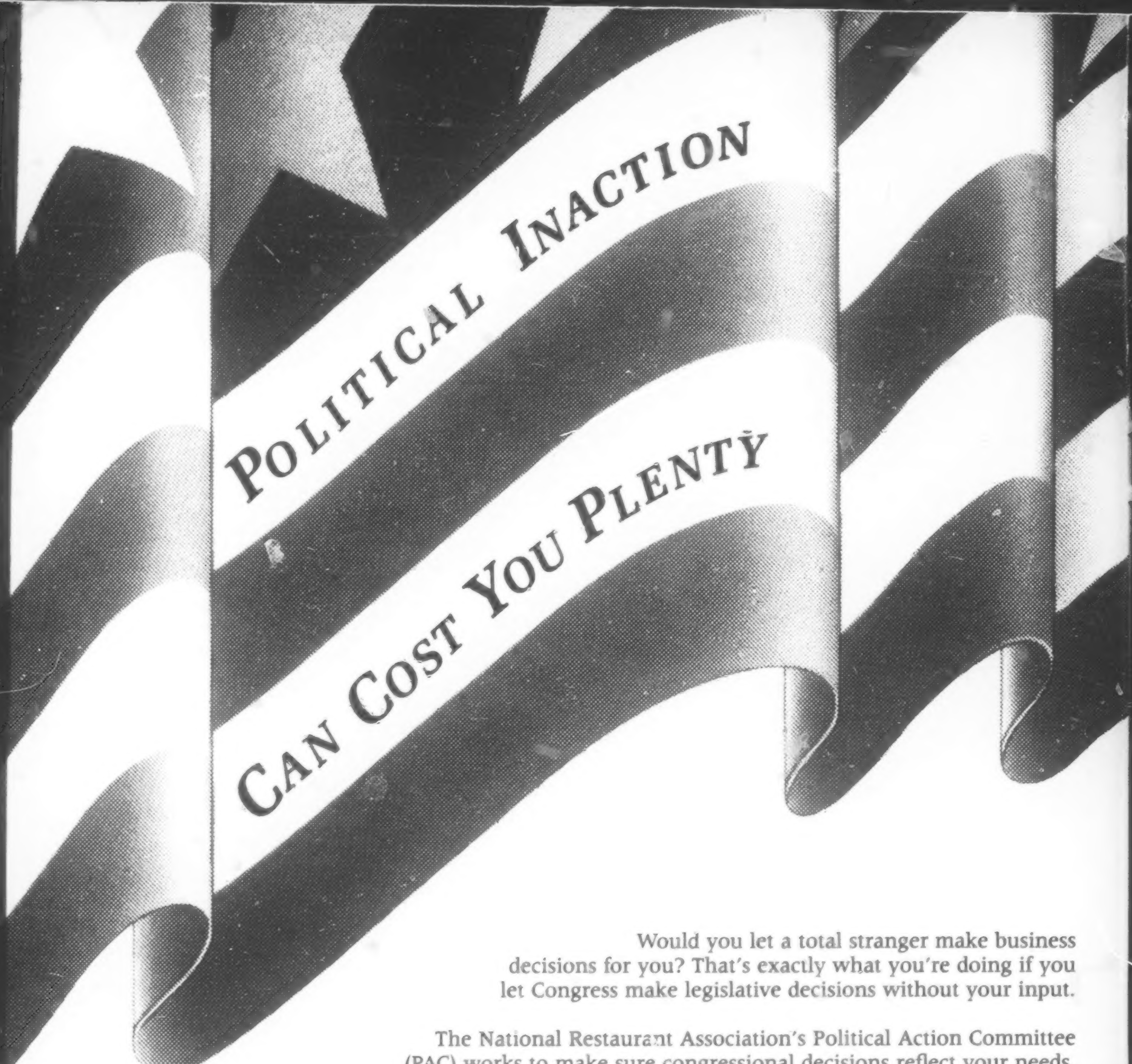
Money Plus at Central Park

During the first two weeks of February, customers at Chattanooga, Tennessee-based Central Park U.S.A. (23 units) got something extra with their food orders: Money Plus.

With every purchase at the drive-thru-only hamburger chain, customers received a Money Plus coin with a gold square. When the customer scraped off the gold, the denomination of the coin appeared—5 cents, 10 cents or 25 cents. The coins were redeemable for purchases at any Central Park location during the month of February.

According to Central Park President Richard P. Reinhard, Jr., "customers loved" the Money Plus promotion. It will probably be repeated in December.

—Central Park U.S.A.



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